



Daily Report

Latin America

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Cuba

Sixth PCC Central Committee Plenum Begins

*FL181505 Havana Tele-Rebelde Network in Spanish
1200 GMT 18 Dec 87*

[Text] Commander in Chief Fidel Castro Ruz, Army General Raul Castro Ruz, and other members of the PCC Politburo and Secretariat presided over the sixth plenum of the PCC Central Committee which opened yesterday afternoon. This regular meeting of the top party leadership organization includes in its agenda the results of the economic and social development of the country for this year and discussion and approval of its fundamental guidelines for 1988. Likewise, it continues a detailed and rigorous analysis of the progress of the rectification process, which began in the fourth and fifth plenums.

The party budget for 1988 was approved in the afternoon session. A summary of the economic and social results achieved in 1987 and the basic indicators and political criteria which support the plan, as well as the national budget for 1988, were also presented at the plenum.

Thanks to the workers' efforts and the turnabout in the political and administrative work under party guidance, an extremely difficult financial state of affairs has been successfully handled without sacrificing development and affecting the people's living conditions. On the contrary, they have been improved through a broad social program; at the same time, the economy is being brought back to health, a correct investment policy applied, and distortions and mistakes eliminated. The country is recovering its construction capacity and important projects are being completed well and at a new construction pace.

In the 1988 program and budget draft submitted to the plenum, it was noted that foreign currency will continue to be limited at more or less the 1987 level. Thus, it is essential to continue implementing the savings policy, substituting imports from the capitalist area, increasing export funds to that market, and devising other ways to bring in more foreign currency.

The general points of the plan were approved by the plenum. The plan estimates 2 to 3 percent growth in 1988 compared to 1987. Referring to this point, Comrade Fidel underscored the importance of extending the spirit of work being achieved in some Havana activities to all industries and every area of the country. He stressed the need to work intensively in the sugarcane crops, which have been seriously affected in the last few years, so production is maintained at no less than 8 million tons of sugar from the 1988-89 harvest on.

Later the plenum began to hear and analyze the government ministers' reports on the work of their various organizations in the rectification process. The plenum will continue meeting today.

Humberto Perez Expelled

*FL191442 Havana Tele-Rebelde Network in Spanish
1400 GMT 19 Dec 87*

[Excerpts] The sessions of the 6th PCC Central Committee plenum have concluded with a speech by Commander in Chief Fidel Castro Ruz. [passage omitted]

As part of the analysis which party leaders have undertaken to pinpoint the origin of the erroneous concepts and practices that had taken root in the country's economic planning, the Politburo established a committee chaired by Comrade Raul Castro Ruz to examine the specific responsibilities which might be ascribed to Comrade Humberto Perez, who headed the Central Planning Board and was vice president of the Council of Ministers' Executive Committee during the period in question.

The conferees studied the conclusions and proposals of the Politburo committee in light of the discussions held with Comrade Humberto Perez and the examination of his criteria. They were unanimous in their criticism of his justifications by which he formally admitted minor errors but persisted in evading his responsibility in the central questions completely within his purview or in which he shared responsibility with other cadres under whose management serious mistakes were committed and negative tendencies allowed.

The plenum ratified the validity of the criticism, (?noting) a certain accommodation in his behavior, and decided to expel him from the Central Committee. [passage omitted]

Castro Closes Plenum

*FL191332 Havana Radio Reloj Network in Spanish
1202 GMT 19 Dec 87*

[Text] The sixth PCC Central Committee plenum ended last night with a speech by Commander in Chief Fidel Castro.

The reports presented gave a positive picture of economic and social development, while also showing that deficiencies and difficulties exist in production organization and control—a sustained political and administrative effort is necessary for solutions. The participants in the plenum stressed that the struggle for immediate action and for the establishment of strong labor discipline must continue.

In his closing speech, the commander in chief said the country is experiencing more than rectification; today it is experiencing an intensification process. It is encouraging, he said, to see the awareness created by need and the possibility of perfecting work in all fields. Fidel also reported on his recent visit to the USSR and his excellent talks with CPSU General Secretary Mikhail Gorbachev concerning a wide range of bilateral topics and the international situation.

Finally, Fidel gave a detailed explanation and broad analysis of the situation created in Angola as a result of the recent intervention of South African troops in Angolan territory in support of the puppet UNITA [National Union for the Total Independence of Angola] bands.

The conferees also thoroughly discussed erroneous concepts and practices that took root in economic planning and the deviations caused by lack of control in the introduction of the economic planning and management system. The Politburo formed a committee headed by Comrade Raul Castro to examine responsibilities in these cases.

Castro Speaks With Mid-Level School Students
FL151605 Havana Television Cubana Network
in Spanish 0200 GMT 9 Dec 87

[Dialogue between Commander in Chief Fidel Castro Ruz, president of the Councils of State and Ministers, with delegates to the Seventh Congress of the Federation of Mid-Level School Students (FEEM), held at the Palace of Conventions in Havana on 4, 5, and 6 December; delegates identified by caption—recorded]

[Excerpts] [Passage omitted] [Sashie Hernandez] Please excuse me for being a bit hoarse. I have been shouting for the past 3 days.

[Castro] Why is everyone hoarse? What's going on? This is going to be the hoarse people's congress. [laughter]

[Hernandez] Commander, when we were on the train we were already happy...

[Castro, interrupting] But you were coming to attend a congress. You should have taken care of your voice.

[Delegate] When the comrade [not further identified] and Jesus Sanchez visited Holguin they were told of the problem we were having acquiring some textbooks because they are not being printed on time. In Holguin, for example, those textbooks arrive too late. [passage omitted]

[Castro] What levels are the most affected by this lack of textbooks?

[Hermes Herrera, vice minister of culture] Thermology and special education have been pretty affected. The printing of 9th-grade history books has also been delayed. Too many of these books are needed and we have been printing them in sections. Secondary education has been the most affected. All this is relative because the fact the books are not available affects everyone; however, the areas of health have been the least affected.

[Castro] We are making do this year with practically half our usual imports, with half our convertible currency expenditures on imports that were described as indispensable. This has required great efforts. It has not been easy. We have so many students and too many books must be printed. This is why I wanted to get an idea of how many books we needed. Has this been the main cause of the problem or has it been the paper shortage?

[Carlos Aldana] Both. In 1987...

[Castro, interrupting] How many tons of paper did you need? I am not speaking of paper to print newspapers but of paper to print books, because I don't think you use the same paper to print the newspapers.

[Aldana] No, it's not the same.

[Castro] I have not noticed a shortage of newspapers. We may not be printing enough of them, but we do have newspapers. If we can't get the paper we need we must do something else, find another solution. Aldana, do you think that this unification will help the printing activity?

[Aldana] Yes.

[Castro] Do you think that the textbooks... [changes thought] I wonder if I am getting hoarse also? [laughter] It must be a virus. [clears throat] No, I'll just drink some tea and I'll be fine. [laughter] Do you think this organization [not further identified] will help solve this textbook problem?

[Aldana] I am sure it will. Like Comrade Hermes said, if this organization receives the raw material it needs then it can handle the needs of the country. A very serious study of this situation has already been made. Because of the current system, because of the number of organizations involved in this work, we have big machines printing fewer books than they should, and we have smaller machines printing more than they should. This is the result of a lack of organization. Our GDR comrades who are cooperating with us in the field have pointed out we could be much more efficient if we were to create a single organization. Now we are only waiting for a decision to be made.

[Castro] I see. Is there something we can do to resolve the problems we encounter every time we can't obtain the white paper from Uruguay used to print textbooks? Isn't there something we can do? Can't we use the same paper used to print newspaper to print those textbooks...

[Aldana, interrupting] Yes, we can.

[Castro] Isn't that better than having no textbooks?

[Aldana] That is something we can do.

[Hernandez] [passage indistinct]

[Castro] Give her the microphone, let her speak. Are you also hoarse?

[Hernandez] A little, but I can still speak. What I was saying was that at the municipal and provincial assemblies some suggestions were presented. I think we have a delegate who has some suggestions.

[Castro] Booklets, stencil [preceding word in English]; anything is better than nothing.

[Hernandez] She suggested the various schools be supplied with the stencils they need and they will do the rest.

[Castro] If we find ourselves with an emergency such as this one, a year when this and that went wrong, then we should find ways to resolve the problems.

[Delegate] I think all the provinces are having problems obtaining the textbooks they need, but the Villa Clara Health Polytechnical School found a good solution to this problem. Whenever a textbook was not available, material from the book was printed and distributed among the students. For example, we could not obtain the pharmacology textbook that was needed and the professor and the students [words indistinct] distributed pamphlets [words indistinct]. We used these pamphlets to study. This is something all the schools could do while they are waiting for the textbooks.

[Castro] I believe we must make this a priority. We must find a way to solve this problem. We have to choose what we are going to spend our limited funds on. Sometimes this money is spent on health projects, education, food, equipment, medicine, on this or that. However, textbooks are necessary, and I think we here in the country must pay much attention to this problem. We must study this situation and find a solution. We must do it even if we don't have all the money we need. We may not have 20 or 25 million [currency not specified] to invest in this, but we could invest 2 or 3 million. We must find a solution for this problem.

[Lavinia Lafitta] We were having very big problems with students who were always presenting medical certificates. Every weekend they would present a medical certificate to cover them for 48 or 72 hours, sometimes even for a week. We knew they were not sick because we saw them over the weekend on the street; but on Monday they would come in with their medical certificates. We knew these were forged medical certificates. [passage omitted]

[Castro] Regarding this problem of students presenting medical certificates: How many students miss school on Monday and later present medical certificates? Give me an example.

[Lafitta] I will use my school as an example.

[Castro] Yes.

[Lafitta] We have had 15 or 16 students skipping classes on Monday. Three, four, five students from my group don't show up on Monday.

[Castro] Your group or the whole school?

[Lafitta] My group.

[Castro] You say three, four, or five skip classes on Monday? Have you ever tried to discover the name of the shameless doctor who is issuing those medical certificates?

[Lafitta] That is something we wanted to talk about.

[Castro] Yes.

[Lafitta] We have even met with the Provincial Medical Commission to discuss this problem. We found ourselves facing a very serious problem at the July 26 IPUUC [Pre-University Institute in the Countryside]; 64 medical certificates were presented in a single weekend. We met and we...

[Castro, interrupting] Where were these medical certificates issued?

[Lafitta] In Matanzas.

[Castro] Why didn't the FEEM find out the names of the doctors signing those medical certificates?

[Lafitta] We did that...

[Castro, interrupting] Why don't you speak to the union or someone. Investigate those doctors issuing all those medical certificates.

[Lafitta] We did that. We even checked with the hospitals, even the Military Hospital.

[Castro] And what did you find out?

[Lafitta] We found out one doctor had issued 15 medical certificates.

[Castro] Did you find out the name of that doctor?

[Lafitta] Yes, we did.

[Castro] Did you report him to the party, to everyone?

[Lafitta] To everyone.

[Castro] There is no doubt this is a shameless action.

[Lafitta] Yes.

[Castro] I would like to ask you another question. Do you think the day we can have a family doctor issuing the medical certificates at each school this will solve this problem?

[Lafitta] Yes, and I think this is very important. I believe the family doctor should be the one issuing those medical certificates.

[Castro] The day will come when we will have family doctors all over Matanzas.

[Lafitta] Yes.

[Castro] I don't think a family doctor will issue those certificates because he will know better; his ideas and concepts will be different. The family doctor will know who is really sick. It will be much more difficult when the family doctor lives in the same community as the student; it will be much more difficult when the family doctor is at the school where that student studies. Our plan is to have a family doctor in every school.

[Lafitta] We already have family doctors at 10 schools.

[Castro] What?

[Lafitta] Ten family doctors at the schools.

[Castro] One in each of the 10 schools. We don't have enough doctors at this moment. But what you have said is true. In the future it will be much more difficult to get those medical certificates because our doctors will not do what the shameless doctors do. They think because they are friends of the family they can help corrupt those students. What you have done is good. Keep up the battle against these shameless doctors.

[Lafitta] A strong battle.

[Castro] Do your political work; explain the situation and present charges when you see something is not right. Discover the names of the doctors issuing those medical certificates and send a letter to the party, to the People's Government, so the doctor will be investigated. Write a letter to your local newspaper; let them know when too many students do not show up for classes on Monday. Isn't it strange one doctor should sign 15 medical certificates in a single day? I wonder if there was an outbreak of measles.

[Delegate] I want to talk about a problem 531 students have. They are concerned about the quality of graduating students. I study at a livestock polytechnical center in Cabaiguan municipality. In the past this center functioned as a pre-university center. This polytechnical center was inaugurated 2 years ago; however, it has no livestock for us to work with. We don't have the equipment we need to train. We need this training. After we graduate we won't get a job if we don't have this training. There are centers around the school that lend us a few

animals, but all of us cannot be injecting those animals. We are going to have problems once we graduate and we won't be able to serve the revolution as veterinary technicians.

[Castro] Where is your school located?

[Delegate] In Sancti Spiritus Province, Cabaiguan municipality.

[Castro] In Cabaiguan. What was in the area before the school was built?

[Delegate] A pre-university.

[Castro] What?

[Delegate] A pre-university.

[Castro] But what was grown in the area? Tobacco, vegetables, what was grown in the area?

[Delegate] The pre-university had to be moved because there was no agricultural work done in the area.

[Castro] What kind of soil do you have in that area? What kind of things surround your center?

[Delegate] Much livestock. There are dairy farms. The problem...

[Castro, interrupting] It is a cattle area?

[Delegate] Yes.

[Castro] Then your location is not bad because you are in a cattle area. So what is your problem? Don't you have a cat to experiment with? [laughter] What's the problem?

[Delegate] The land does not belong to the center and the dairy farms let us borrow the animals, but all of us cannot work on those cows, that is impossible.

[Castro] What?

[Delegate] That would hurt the animals.

[Castro] How many students do you have at the center?

[Delegate] How many?

[Castro] Yes.

[Delegate] We have 531 students...

[Castro, interrupting] What are you doing? Training technicians for all of Latin America or what? Listen, we must study this. We must find out how many technicians are being trained, how many technicians we already have, and how many we need. But the problem is that

you have no land. You are strangers in a cattle area where the interests of the school clash with the interests of the cattle enterprise. Who owns that cattle enterprise?

[Delegate] Cabaiguan Cattle Enterprise.

[Castro] What do you need?

[Delegate] We have nothing.

[Castro] [chuckles] How much land do you need? For example, we built the Martinez Villena Technological Center and we gave them the land they needed. We drafted a plan for them to follow. Perhaps there is someone from the center here today. We started a genetics program to crossbreed many kinds of animals. However, we had to take some land away from them and, unfortunately, one of these days we are going to ask for all that land and move the center. The city is growing fast and will need the land around that center. We can see this coming.

[Delegate] What we need are our own animals.

[Castro] Your own animals? To cut them up and to inject them 500 times a day? [laughter] What are you going to do with all those animals? Perhaps we will have to do as we did at the Nursing School, give you a rubber cow for you to practice with. [laughter] What's the problem with your school? Tell me whether you have other [words indistinct].

I am glad the comrade came and complained about this problem. We are not mindreaders and know what the students are doing in Cabaiguan. They don't have a single cow, a square meter of land, a tractor, or a plow. They have to depend on the enterprise to lend them the animals. I think the Cabaiguan school should have its own land, even if it has an enterprise near it. The Villena school has its own land. This is good for the students. I think this type of school [words indistinct] a big plan. These schools should have their own land, and I think it was a mistake to set up such a school without giving it land.

During the recess Sashie [Hernandez] was telling me there are several agricultural schools with this problem. She mentioned one in Pinar del Rio and one in Granma. She mentioned three or four schools that don't have land. However, I don't think this is the real problem. There is a conceptual problem affecting all this. Is there someone from Triumbirato here?

[Delegate] Yes.

[Castro] Comrade, I would like to ask you a question. Are you still planting vegetables and tubers in Triumbirato?

[Delegate] I am a 4th year veterinary student, and since I have been at the school I have not done agricultural work.

[Castro] What happened to that area under irrigation, where vegetables and tubers for the community were grown?

[Delegate] That is run by the livestock sector.

[Castro] Of course, but the students are not involved. We built that school beside the dam for a reason. The dam would provide the water needed to grow the vegetables for the community. I don't know what is happening now. We even built a secondary school for the children of the workers who are under the work-study system. The idea was for them to grow the food for the community. The school was to be the orchard of that plan. Now the students don't even have a plantain tree there.

Comrade, what do you do there?

[Delegate] I'll be honest with you. During my 1st year at that school we were never sent to a dairy farm to practice; we did no agricultural work. All we did was go to our classroom or clean the hallways because there was no place to practice what we were learning. Only last week did the school get its land.

[Castro] What do you mean? You just got land?

[Delegate] Last week the director met with the FEEM leaders to inform them he had been given the land to build the veterinary and animal husbandry schools.

[Castro] What about the plantains?

[Delegate] Nothing about that. Since we entered the Triumbirato Center we have been talking to the various organizations throughout the province to explain that we must be involved in dairy farming or agriculture. The workers at the dairy farms want us to help, but we have been told we cannot go into the dairy farms.

[Castro] We have been playing too much with those capitalist mechanisms. We have practically become capitalists, shoddy capitalists, as we have said many times. This congress is getting good. [applause] It is getting good.

[Rafael Bernal, vice minister of education] We can train 6,000 in animal husbandry and 4,000 veterinarians. We have calculated that approximately 2,000 or 2,500 will graduate each year. After studying the payroll and the new cattle units, the Ministry of Agriculture has advised us they can employ this number of graduates. This is not only a broad profile career, but the same technician is also trained as a qualified worker...

[Castro, interrupting] If he is trained as a qualified worker, the agricultural sector will have much need for him.

[Bernal] There are unlimited possibilities.

[Castro] This does not mean they need 2,500 trained in animal husbandry every year. They need many more qualified workers to replace the workers who are retiring. This concept of a middle-level technician and qualified worker is good and the agriculture sector can really use them.

[Delegate] As the minister already explained, this concept of a broad profile was implemented 4 years ago in all the middle-level technician specialties. The broad profile system includes training in other areas related to the technician's specialty. When this technician graduates he can immediately go to work as a qualified worker.

Now, going back to the cattle sector. I mentioned earlier we have 12 centers where technicians are trained; however, only three of these centers are equipped to train the technician properly. The technicians practice at the slaughterhouse; however, only the male animal is sent to the slaughterhouse; very few cows are ever sent to the slaughterhouse. Therefore, the technician who graduated was not a veterinarian or breeder. Now, we have that problem solved.

[Castro] What happens to the cow?

[Delegate] A sick cow is treated at the animal health center...

[Castro, interrupting] In the end the cow is killed?

[Delegate] No. The enterprise takes back its old cow...

[Castro, interrupting] Poor cow, what a sad future awaits it. [laughter] But the cow is not killed, is she?

[Delegate] The cow is treated, and after she has gained weight she is returned to the enterprise. This is what three of the centers do; however, we still have nine centers which do not have the equipment they need. We are working with the ministry at this moment to get all the equipment we need. [applause]

[Castro] I don't know what you would do on the Isle of Youth; in Haguey, where there are 64 schools; in Pinar del Rio; in Ceiba; in Sola; or many other places without the students who are in the rural school system. I am interested in knowing what would happen. Can you give me an explanation.

[Delegate] Yes, Commander.

[Castro] I am not blaming you. I am blaming the organization, but you represent the organization so you must give us an explanation. [laughter]

[Delegate] Rest assured that as representative of the Ministry of Agriculture I will assume my responsibilities in this matter. Unfortunately, we were not able to be here this morning. The truth is the ministry did not handle the problem of the polytechnical institutes properly. But we discussed this problem a few months ago, and only recently did it again. We have concluded we are going to begin working with the livestock polytechnical institutes and are going to adopt measures to resolve their problems. We have decided all those problems will be resolved in 1988.

[Castro] I like the idea of having engineers heading the activities of the productive sectors and I also think the middle-level technicians should be given more responsibilities. The technician is trained for this. The concept of the narrow profile is something we must overcome. This was another of those negative tendencies born from the idea of one man for one job. I think the only way to get some discipline is to have one man who knows what he is doing [words indistinct] rather than a large number of engineers and middle-level technicians [words indistinct] but for bureaucratic reasons. There are too many engineers who are bureaucrats and who are producing nothing. Had we known this we would have created another school at the university; the school of bureaucracy, how to create a bureaucrat. To train an engineer to be a bureaucrat is a waste of time.

Do you have many technicians in the bureaucratic apparatus?

[Delegate] Sixty-six percent of the university graduates employed by the ministry are working for the enterprises.

[Castro] What do you mean by enterprises?

[Delegate] They are leaders at the enterprises; they work with the brigades...

[Castro, interrupting] You said sixty what?

[Delegate] Sixty-six percent.

[Castro] Where are the other 34 percent?

[Delegate] At the institutes, delegations, and at the ministry.

[Castro] Yes, those institutes are more warehouses for the bureaucratic technicians. That's another matter.

[Delegate] Commander, what I have explained...

[Castro, interrupting] How many of the 66 percent are up there?

[Delegate] That is our big problem. We are studying this. We are getting down from where they are.

[Castro] What are you going to do for the technological institutes?

[Delegate] Commit ourselves, before you and the congress, to resolve all the problems we have in those areas. [passage omitted]

Union Official Discusses Turquino Plan

FL190229 Havana Television Service in Spanish
2002 GMT 18 Dec 87

[Text] During a meeting in Pinar del Rio, Rene Penalver, member of the PCC Central Committee and second secretary of the CTC [Central Organization of Cuban Trade Unions], called on the country's organizations to contribute with enthusiasm and dedication to the development of the Turquino Plan.

The CTC leader above all called for the cooperation of agricultural-livestock, transportation, public health, education, commerce, and communications trade unions. He added that culture trade unions and others should also cooperate. Penalver stressed the need for work objectives in emulation, the movement of units and model centers, and the creation of Turquino minibrigades, sports competitions, and cultural festivals.

The CTC secretary said trade unions should offer vacation plans and guarantee increased training through postgraduate work for technicians and professionals who participate in the important task of developing the mountains.

Haiti

Government Announces New Election Law

PA202022 Paris AFP in Spanish 1854 GMT 20 Dec 87

[Text] Port-au-Prince, 20 Dec (AFP)—According to the new election law announced by the Haitian National Government Council (CNG) over the weekend, the upcoming elections set for 17 January will not use registration lists. Moreover, ballot secrecy will not be guaranteed.

The new election law does away with the electoral card issued by the previous Provisional Electoral Council (CEP). The CNG dismissed the CEP members. Moreover, candidates are responsible for preparing and printing ballots [boletines].

The new law states the voter will take an identification document and "go to the electoral office with the ballots of the candidates of his choice."

The elections official "will then make sure the voter has not voted and he does not carry more than the necessary ballots." The official will receive the folded ballots (without an envelope) and place them in the ballot box.

In order to certify that a voter has voted, or that he does not vote again, he will be asked to mark his finger with indelible ink.

It is worth noting the previous election law called for the use of envelopes to cast the ballots in order to guarantee secret voting.

Armed Forces on 29 November Violence

FL182305 Port-au-Prince Radio Nationale in Creole
1400 GMT 18 Dec 87

[Text] The General Headquarters of the Haitian Armed Forces [FADH] issued a news release yesterday, 17 December, to inform the public that the periodical HAITI-OBSERVATEUR in its 11-18 December issue, spoke of an article appearing in a newspaper called LIBERATION, which has Communist leanings and is published in Paris, France. In reference to presidential candidate Marc Bazin, the article allegedly quotes FADH Colonel Jean-Claude Paul, commander of the Dessalines Barracks, as saying: If Marc Bazin wins, I'll execute him with my own hands.

HAITI-OBSERVATEUR reports that Col Jean-Claude Paul allegedly said this. The periodical adds the colonel was one of the people who ordered last week's murders [as heard]. It also claims General Regala is involved in this matter together with civilians Franck Romain and Claude Raymond.

The General Headquarters formally denies these absurd, ridiculous allegations that seek to sully the FADH, which is currently the victim of a national and international campaign of disparagement and false accusations.

According to the news release, the events which occurred on that tragic day of 29 November were caused by the behavior of those who, ever since 7 February 1986, have been shamelessly exploiting a population deprived of its most basic rights for many years. Instead of preaching reconciliation, peace, and love for one's fellow man, those people found it more in their interest to stir people up, lie, and encourage Haitians (?to hate).

After much effort, the FADH managed to stop in time the snowballing of pillaging, physical abuse, and crimes that were encouraged by certain political sectors. Those crimes were carried out in such a way as to draw world attention and nip in the bud the small amount of prestige Haiti was beginning to enjoy since it rid itself of a dictatorship.

Even the Christian church in Haiti was unable to stop the unleashing of those passions, despite the fact the clergy is entirely Haitian. The church was unable to prevent or counter the seeds of violence that had been sown among the people. It was unable to lead the Christian people of Haiti in peacefully harvesting the victory of 7 February 1986.

On the contrary, the FADH note continues, certain priests and preachers stood up in their pulpits and participated in sowing hatred, disunity, and violence among the faithful. Many did this on purpose. Others, because of lack of experience, helped misdirected and misled political cells implant themselves in Haiti. Those groups will never look kindly on any action whatsoever carried out by the established government. This irresponsible behavior on the part of a certain sector in the church was paralleled by the behavior of a large portion of the Haitian press. Whenever anything ugly, dishonest, or degrading occurs, the press sees the involvement of the military.

Whether they are a part of that sector of the church, the press, or of certain political groups, this kind of Haitian should know the Army, which is a national institution, cannot be destroyed without taking the very foundations of the nation with it. And yet, despite the different appeals made by the military high command for peace, agreement, wisdom, and mutual understanding, no effort has been made to reach an agreement between the military and civilians. They would rather see a confrontation between the Army and the population. They would like to create a division between these two groups. They want to throw the country into chaos and anarchy so a communist dictatorship can take control or a foreign force can occupy the country.

The extremists who want to plunge the country into chaos have not even spared the youth who are the hope of the nation. For the past 2 years the university also has been the target of their unbridled ambitions and now they are even posing a threat to the secondary and primary schools, even the kindergartens. How thoughtlessly irresponsible!

A group of hardened murderers who were unsatisfied with manhandling their victims was included among the members of the vigilance brigades formed in an unlawful manner. They even burned their victims alive or mutilated their bodies.

In light of all these considerations, it must be pointed out the armed groups which sowed terror among the Haitian people on 29 November—election day—are the same kind of people as those who infiltrated the vigilance brigades in order to turn them into terror brigades. They are also the same as those members of the death squads who murdered fellow citizens on 7 February 1986.

There are people who claim the military patrols took no action against the vehicles of the people who were sowing death. It was only after the act had been committed, after they learned what had happened, that they were able to get a description of the vehicles. Others claim—without really thinking about what they are saying—that both civilians and the military were the cause of the disturbances in Haiti.

These people were fixated. Their only thought was to organize those impossible elections, despite all the warnings from many quarters and despite appeals to reason from others. Did they expect the Army to shoot at everything that moved just so they could elect whatever president they had chosen over hundreds of bodies, thereby once and for all justifying a foreign intervention?

The special investigating committee created by the National Government Council to study the unfortunate, bloody events of 29 November is trying to identify the perpetrators, even though it has no representative of the Haitian Human Rights Organization. Although they were asked to send a representative, that organization refused to accept responsibility for helping the government shed any light on that regrettable day.

At this time of great travail, the high command of the FADH again asks for Haitians, both male and female, to set aside their personal interests. We think that only by making a personal effort, refusing to keep any particular group on the sidelines, and through unity can peace and security be established. Without this, the progress and well-being of the community is nothing more than a daydream.

This news release, which is dated 17 December 1987, is signed by Brigadier General Carl Michel Nicolas, interim commander-in-chief, FADH.

Parties Not To Participate in Jan Elections

PUCH Announcement

PA181244 Madrid EFE in Spanish 1852 GMT
17 Dec 87

[Text] Santo Domingo, 17 Dec (EFE)—Through the Dominican Communist Party (PDC), the United Party of Haitian Communists (PUCH) today announced it will not participate in elections slated for 17 January. The elections were called by the national government junta headed by General Henri Namphy.

The PUCH pointed out that free elections in Haiti will not be possible as long as Namphy and General Williams Regala continue to hold power.

With this step, the PUCH joins other Haitian groups that have also announced they will not participate in the elections. Among them are the Haitian Christian Democratic Party, the National Industrial Agricultural Party, the Movement to Install Democracy in Haiti, the National Concerted Action Front [Frente Nacional de Concertacion], and the Movement of Revolutionary Unity.

The PUCH said the elections will be "an electoral show to hand the country's government to neo-Duvalierist sectors rooted in Haiti."

CATH Statement

*FL190042 Port-au-Prince Radio Soleil Network
in Creole 1200 GMT 18 Dec 87*

[Excerpt] The Autonomous Central of Haitian Workers [CATH] has called on all patriots in the nine geographical departments of the country to not participate in the 17 January 1988 elections and to take all necessary steps to get rid of the last remnants of the Duvalierist dictatorship, (which is making a last-ditch effort).

CATH thinks the time has come for the formation of a single chain of solidarity, a single bloc. It is time to act together, in unity and discipline, in order to sound the call for the deliverance of Haiti after almost 2 centuries of quarreling among ourselves. It is now time for action and time to give evidence of political maturity. We must prove to those who are saying disparaging things about us and lying to us that we are not stupid. We must prove to all the phony Henri Christophes and Capois La Morts [Haitian heroes] that we do not need them and that we are not joking. We will not balk at any means, at any number of means or sacrifices needed to rebuild the country.

According to CATH, the Haitian workers and peasants must be present at the rendezvous given them by history since they have been humiliated and pushed around several times.

Honest merchants and industrialists, who have long been the victims of a series of macoute extortions, also have their role to play in this symphony, which must of necessity lead to a change. They must accompany the people, contributing all the support they can along the road to liberation.

The CATH calls on all trade unions in America, Europe, Asia, and in Oceania to make workers aware, to mobilize them so they can take measures to prevent containers and merchandise from being sent to Haiti in order to paralyze the criminal, lying CNG [National Government Council] and force it to abandon power. [passage omitted]

Sylvio Claude Comments on Situation, Positions

*FL182340 Port-au-Prince Radio Soleil Network
in Creole 1200 GMT 18 Dec 87*

[Excerpts] The Haitian Christian Democratic Party [PDCH], whose leader is Sylvio C. Claude, held a news conference at noon yesterday. During the news conference Claude explained his position in connection with the movement toward unity which has begun among political leaders. We will listen to a summary of what went on from our colleague Colette Lespinasse, who was there.

[Lespinasse] Party leader Pastor Sylvio Claude held a news conference at PDCH headquarters on the Champ de Mars this morning [17 December] to discuss Haiti's situation (under) the National Government Council [CNG] and to set forth the PDCH's position on the crisis we are going through.

After congratulating a sector of the press for not allowing itself to be corrupted, Claude noted his party is the country's most important political organization and is following its own particular line. He talked about the opposition, saying the opposition is the cause of everything that is happening. He recalled that right after 7 February he had stated publicly we had been dealt a coup d'etat and that the government (would not be able) to govern the country. But no one understood him, and people said he was crazy. Many people in the opposition had said at the time: The government has just come to power. We must give it a chance to see what it can do. Claude recalled that, like many other people, he too in June had asked the CNG to uproot its cassava plants and go away. But he was not understood.

He believes elections can bring about change, but not elections under the current government. After consulting his grassroots constituency, he decided to take a chance and participate in the [29 November] elections. Now Claude thinks no one can take a chance under the CNG. The CNG has become a huge, overflowing river of blood, rushing by and destroying everything in its path. In that rush of water is the Army, the macoutes, and political leaders. Let's listen to an excerpt of the news conference.

[Begin Claude recording] [Passage omitted] There are a few serious organizations left. Just a few. There are a few serious press organs left, which are convinced nothing can be accomplished with this government. I say we cannot take any more chances, because this time, if we take a chance, we will drown. The floodwaters will carry us off. So there are two solutions possible. I have already set forth these solutions, back in my first statement: Either the waters recede, or someone lends us a boat in which to cross them. Either the CNG resigns, or else those who have big boats could lend us one (to cross the waters). [applause] [passage omitted] [end recording]

[Lespinasse] Further on, Claude said: If they don't lend us the boat in which to cross the waters we will look for one ourselves. He reiterated he feared no one and said if he were to be shot at, or if anyone tried to poison him, he would not die, because God was with him. He declared he was not giving up, would never give up. He asked the population not to give up either, even if people (have been) killed.

Regarding the stand he has taken together with three other presidential candidates, Claude explained it is not a coalition, but rather an alliance to attain a very specific goal: to get rid of the CNG. He said he was still a candidate to the presidency, and added if anything murky were to occur he would leave the group. In his

opinion, no politician in Haiti shares his values. [Passage omitted] Claude also thinks they must make their decisions quickly, because if we take too long, international public opinion, which is now on our side, may forget about us. In terms of strategy, he thinks we should use to advantage the current falling out between the bosses and the CNG, in which each is holding the other responsible for what is happening. [passage omitted]

In conclusion, Claude called on all towns to rise up to make the CNG leave power, making a special appeal to Gonaives, because, he said, it was in Gonaives that the uprooting which led to 7 February began. Journalists asked him many questions afterwards, such as whether some of his statements ran counter to the declaration he had signed with the three other candidates. Claude said there were no contradictions; they had decided on something together and each individual was going to explain it to his party. This sums up the news conference held by PDCH leader Sylvio Claude today at party headquarters.

Arnold Reaffirms Presidential Candidacy

*FL190056 Port-au-Prince Radio Nationale in Creole
1400 GMT 18 Dec 87*

[Text] The National Party for the Defense of the Workers [Pati Nasyonal Defans Travay—PNDT] announced it will participate in the elections scheduled for 17 January 1988. After analysis, the party feels only general elections with the participation of legally-recognized political parties—parties with legal statutes—can stop, can end, the violence in Haiti and make justice and respect for human rights prevail.

Consequently, the party announces Pastor Dumas J. Arnold continues to be a candidate for president of Haiti.

That was a note from the general secretariat of the National Party for Defense of the Workers, the PNT [acronym as heard], signed by Pastor Dumas J. Arnold, candidate for president of Haiti.

Soviet Deputy Foreign Minister Arrives
FL180214 Mexico City NOTIMEX in Spanish
0034 GMT 17 Dec 87

[Excerpt] Mexico City, 16 Dec (NOTIMEX)—Viktor G. Komplektov, USSR deputy foreign minister, has said here that the Soviet Union will seek a 50-percent reduction in the nuclear arsenals of the two superpowers in 1988.

Interviewed on arrival at the Mexico City International Airport, Komplektov explained that Soviet leader Mikhail Gorbachev had proposed to U.S. President Ronald Reagan that they sign an arms reduction treaty at their next meeting in mid-1988.

Komplektov is scheduled to meet Bernardo Sepulveda Amor, Mexican foreign relations secretary. [passage omitted]

Columnist Shot to Death in Culiacan
PA181355 Paris AFP in Spanish 1915 GMT 17 Dec 87

[Text] Culiacan, Mexico, 17 Dec (AFP)—Columnist Jesus Michel Jacobo, from the daily EL SOL DE SINALOA, was shot to death in the center of this city, the Judicial Police have reported.

Jacobo was hit by 10 bullets as he returned to his home last night in Culiacan, 900 km northwest of Mexico City. The Sinaloa Judicial Police told AFP that they have no clues to the crime.

The newspaper's editor, Jose Carlos Rodriguez, said that in the column "My Testimony" Michel Jacobo wrote on regional politics and violence that have existed in Sinaloa for several years, but Rodriguez refused to single out his work as the reason for his murder.

The Latin American Federation of Journalists (FELAP) has recorded the murder of 30 Mexican journalists from 1971 to the present.

The most important cases in the last few years are those of Manuel Buendia, columnist of the Mexico City newspaper EXCELSIOR, killed in May 1984, and Ivan Menendez, editor of the Spanish language version of LE MONDE DIPLOMATIQUE, killed in November 1986.

The Mexican authorities have been unable to solve Buendia's crime, unlike that of Menendez, whose suspected murderer was captured and is awaiting trial by the authorities.

Menendez was murdered by an individual who confessed killing him to rob him of the money the journalist received from the sale of one of his properties.

PAN Candidate M. Clouthier Begins Campaign
PA201428 Mexico City EL NACIONAL in Spanish
12 Dec 87 p 2

[Text] Dolores, Hidalgo, Guanajuato—11 Dec—Manuel J. Clouthier, the PAN [National Action Party] presidential candidate, has begun his campaign. During his first public appearance Clouthier urged Mexicans to join him and participate with enthusiasm and passion in the construction of a new orderly and generous fatherland.

Clouthier said his campaign will be constructive, with no disorder or violence. Therefore, it will be a stabilizing campaign; a campaign calling for social order in the judicial system, freedom, and democracy. The struggle will be civilized and peaceful.

Clouthier, who was accompanied by PAN leaders, proposed 10 basic points to achieve the change he seeks, should he win the election. The points are:

To establish limits to power by having effective elections and respecting human rights.

To have church-state relations reflect the actual conditions in Mexican society.

To reconstruct the economy by using the subsidiary [subsidiaridad] principle.

To implement the principle of "land and Liberty."

To establish a policy of harmonious economic development.

To fight the destruction and pollution of the environment.

To change the educational system.

To develop a policy for effective justice.

To search for a true, working democracy.

To have a consistent foreign policy.

Under the current circumstances, the Mexican left wing can respond to the people's demands only if it is united.

This was said yesterday by Popular Socialist Party, PPS, Secretary General Jorge Cruikshank, during the opening of the PPS 13th National Congress.

The PPS leader added that in view of the crisis Mexico is facing, it is necessary today, more than ever, for left-wing political parties to agree on a common electoral platform that would bring together the efforts of the national vanguard and prevent the advance of the right wing and the counterrevolution.

Finance Secretariat Announces 1988 Goals
PA182020 Mexico City EL NACIONAL in Spanish
12 Dec 87 p 1

[Article by Young Coral]

[Text] Increasing domestic savings will continue to be a goal in 1988. To do so, an interest rates policy to provide real, positive yields higher than those obtained abroad will be continued.

The increase in savings is expected to enhance local banks' capacity to provide financing for productive investments.

In addition, the multi-service banks, which have been operating since August, will provide greater economic support in 1988.

These policies were announced yesterday by Finance and Public Credit Secretariat [SHCP]. The SHCP also said that efforts to get the commercial banks to help support important investment programs—such as housing, infrastructure, and industrial reconversion programs—will be intensified.

The secretariat stressed that next year's allocation of credits and the temporary use of development banks and financial funds—to provide risk capital—will continue to emphasize priority and strategic sectors, particularly those geared toward financing the production and marketing of foodstuffs, the modernization of industrial machinery and exports, and the microindustry [microindustria], which has demonstrated a tremendous development potential. The secretariat said that financial support for urban development, tourism, and fishing will be intensified.

At the same time, the goal of creating a system that will be more consistent with the country's economics will continue as efforts will be made to establish the right combination between national banks with advance technology and regional banks, which are more closely in touch with local needs.

The SHCP stressed that the financing for development will require extra emphasis during 1988 because, on the one hand, national progress requires an expansion and consolidation of developmental activities, and, on the other hand, the state of public finances demands that financial rehabilitation and structural changes in our leading institutions be speeded up.

The secretariat stressed that, in this regard, various programs will have to be revised, financial subsidies will have to be made more rational, and accounting and administrative practices will have to be improved.

The foregoing is consistent with the General Criteria on Economic Policy, which was presented to Congress and the executive branch.

The guidelines indicate that the goal is "to use monetary policies, interest rates, and exchange rates to ensure equilibrium in exchange and financial markets and to bolster savings and the balance of payments."

Regarding the policy of using development banks and financial funds for development during 1988, the document notes that "this will support the strategic and priority sectors, keeping in mind the scarcity of resources and the need for an additional rationalization of financial subsidies."

Governors on Economic Pact, Foreign Debt
FL182156 Mexico City NOTIMEX in Spanish
2150 GMT 17 Dec 87

[Excerpts] Mexico City, 17 Dec (NOTIMEX)—Governors of eight Mexican states today expressed support for the Economic Solidarity Pact (PSE) signed by the government and the labor, peasant, and business sectors of Mexico. The governors also asked that the interest rates of the foreign debt be revised.

Celso Humberto Delgado of Nayarit, Rafael Corrales Ayala of Guanajuato, Mariano Palacio Alcocer of Queretaro, Xicontencatl Leyva Mortera of Baja, California, Jose Ramirez Gamero of Durango, Victor Cervera Pacheco of Yucatan, Luis Martinez Villicana of Michoacan, and Enrique Alvarez del Castillo of Jalisco were interviewed at the Los Pinos official residence.

The governors, who were received by President Miguel de la Madrid, said they will reduce their state budgets.

Palacio Alcocer acknowledged the importance of the PSE when he pointed out that we face the prospects of undertaking a more thorough structural change in the productive process, of protecting the employment base, and of raising the living standards of society as a whole. He stressed that the big challenge is to protect the employment base, to improve the living conditions of employees, and to ensure that businessmen, workers, peasants, and the government strictly adhere to the pact they signed. [passage omitted]

Jose Ramirez Gamero asserted that the PSE measures are very hard, especially for the workers, who are shouldering a very big responsibility. He said, however, if everyone involved does his share, the pact will bring the expected results. Ramirez Gamero stated that in view of the present situation and the PSE itself, it is important to review the interest rates on the foreign debt Mexico is paying to its creditors. At home, he added, available resources should be channeled into priority plans and areas. [passage omitted]

Yucatan Governor Cervera Pacheco also came out in favor of a thorough review of the foreign debt and said that international banks should be flexible with the debtor countries. [passage omitted]

Jalisco Governor Alvarez del Castillo said his state has no budget problems because the budget was planned realistically. He asserted that his state contributes more resources to the federal government than it gets from it. [passage omitted]

Commission Announces New Minimum Wage

PA190452 Mexico City Red Nacional 13 Imevision
Television Network in Spanish 1955 GMT 18 Dec 87

[Report by Felipe Milpa]

[Text] The National Minimum Salaries Commission Council of Representatives this morning signed a document establishing a 20-percent increase in the minimum wage for the general and the professional sectors. This increase will go into effect from 1 January to 29 February 1988. The council also established that beginning on 1 March there will be another revision of the minimum wage, which will be adjusted as necessary, according to the cost of the products in the basic market basket. The products composing the basic basket will be established in the next 15 days.

The general and professional minimum salary increase that goes into effect on 1 January will be an addition to the special 15 percent adjustment established on 16 December.

The minimum salaries beginning on January 1988 will be:

For the ~~high~~ or very expensive zone: 7,785 pesos.

For the intermediate zone: 7,190 pesos.

For the third zone: 6,475 pesos.

The documents establishing the new minimum salaries for the first two months of 1988 were signed by the Commission President Javier Bonilla Garcia, labor representative Javier Pineda C., and by Adolfo Tena Morelos for the management sector.

Daily on Cuba's OAS Membership, U.S. Policies

PA201614 Mexico City THE NEWS in English
13 Dec 87 p 16

["Commentary" by Matthew J. Cronin: "Cuba and the OAS"]

[Text] During the spring of 1948, a young political agitator named Fidel Castro set off for Bogota, Colombia to participate in what was called the "Latin American Students Association" Anti-Imperialist Congress. Castro was a rising star in Cuban politics at the time, (no, he was not a declared Marxist just yet), and had run into some problems concerning a political murder—which he was acquitted of. So Fidel decided to help organize this

conference which just so happened to coincide with a meeting of foreign ministers in Bogota that would result in the formation of the Organization of American States (OAS).

By this time in history, the Cold War was already under way and the Marshall Plan that would help launch Western European reconstruction was a year old. In 1947, the foreign ministers of North, Central, and South America had signed the Rio Pact of mutual defense, and young Latin Americans had become quite antsy at the idea of their countries' further incorporation into the hegemonic sphere of the now very powerful United States. Given their strategic position in Bogota, the students set out to furiously protest the meeting, but met with little success in disrupting the proceedings, save for the press they received while sitting in jail after their arrest by Colombian police.

Fidel, however, did not miss out on all the excitement. For on April 9, Jorge Gaitan, a recent acquaintance of Fidel's and a leader of Colombia's Liberal Party (which at that stage had been involved in a vicious civil war with their traditional rivals, the Conservative Party, for over two years) was assassinated in Bogota. Gaitan's murder led to the Bogotazo, the term associated with the urban revolt which nearly led to the Colombian government's overthrow, severely disrupted the OAS proceeding (although the charter was signed anyway), and was Fidel Castro's first introduction into revolutionary activity.

Next year will be the 40th anniversary of the founding of the OAS. As indicated by the recent gathering of the Group of Eight in Acapulco, solidarity among Latin American leaders over the question of regional sovereignty has reached a high pitch, which culminated with Brazilian President Jose Sarney's call for the reintegration of Cuba into the OAS, and a proposal that would set up a separate organization (without the U.S. and Canada) to solve the complex problems of Central and South America.

It has become apparent that Latin American leaders will no longer cast their dice with the hoped-for benevolence of their northern creditors, and may very well decide to establish an informal debtors' cartel if the North does not do something to ease their collective debt burden of 420 billion dollars. Although giant debtors Argentina, Brazil and Mexico have said that they will negotiate their debts on an individual basis, it has been speculated that Brazil's move to suspend payment on 52 percent of its debt, and Raul Alfonsin's proposal to limit Argentina's interest payments to a strict 4 percent has awakened sympathy from other camps. Thus enter Cuba and Fidel's 2-year campaign for a debt moratorium.

This is a great cause of worry in U.S. financial circles, as even the idea of a debtors' cartel would place the portfolios of the largest U.S. banks in a quagmire. The U.S. automatically rejected the idea of reintegrating

Cuba into the OAS, but they may be forced to reconsider. For the last thing U.S. leaders desire is to face a separate Latin American organization under the ideological fire of Fidel Castro who still harbors dreams of being a 20th century Simon Bolivar.

That is why it is so critical for the U.S. to come out in favor of Cuba's reentrance into the OAS: so that in matters of great dispute such as the debt, and in matters of great misery such as the Central American wars, the U.S. and Cuba can debate those issues in a responsible manner in front of their peers, who would then have less to worry about from outside subversion. The U.S. must realize that Cuba is an integral part of Latin America's progression, whether they like Fidelismo or not. Likewise, Cuba, upon reintegration, must take upon itself a new sense of reality; it is no longer the gem of a revolutionary Latin America, but a poor, sugar producing nation for the volatile Eastern Bloc.

As the Latin America policy has continued to evolve as a unit, Cuba has been forced into the position of either joining the regional market as an equal and needy partner, or recasting its fortune with dying legacy of the USSR. Castro has always been very much of a Latin American, and also quite a pragmatist, so it should be expected that he will accept an invitation to be brought back into the fold—even as a lesser partner. Now whether or not the U.S. will accept an equal partner status in the OAS with the rest of the Americas is another question, but suffice to say that their old formula of treating Latin America as a lesser partner is failing, and reality must quickly set in.

Legal Cooperation Treaty Will Not Affect DEA
PA192358 Mexico City UNOMASUNO in Spanish
12 Dec 87 p 12

[Article by Hector A. Gonzalez]

[Text] Alberto Szekely, legal consultant to the Mexican Foreign Relations Secretariat [SRE], yesterday said DEA's activities in Mexico will not "in the least" be affected by the new reciprocal legal cooperation treaty signed by Mexico and the United States.

In a news conference organized by the Attorney General's Office, PGR, Szekely, and Juventino Castro, PGR's legal adviser, described the scope and limitations of the new treaty.

Who controls and supervises the activities of foreign agents in Mexico? Why does the treaty not include DEA's operations?

There was concern over this. Szekely answered most of the reporters' questions.

He pointed out that the DEA agents' situation in Mexico "is not affected in the least" by this treaty because DEA's activities were established prior to this treaty.

Why does DEA carry out investigations on Mexican territory?

The foreign agents are accredited to the SRE "solely to exchange information with Mexican authorities according to the Vienna Convention, which deals with diplomatic and consular relations that permit sending representatives to exchange information between the governments concerned."

The SRE legal consultant indicated that the foreign agents, whose activities in Mexico deal with police investigations concerning drug traffic, are accredited to the SRE as technical personnel.

He added: "These men do not operate as DEA agents. They are members of the U.S. Embassy and Consulate staffs and are authorized to come here to exchange with our authorities information valuable for the two countries. This does not mean at all that they can operate as DEA agents. They work as U.S. diplomatic representatives in Mexico and are here for this specific purpose. They have been accredited to the SRE without any doubts. This is fully included in the Vienna Convention provisions."

But experience proves quite the opposite, particularly in the case of Enrique Camarena Salazar. Szekely was asked: How did this agent operate?

He answered: If any one of them violated the restrictions while in Mexico, that is another matter. But that does not mean he was permitted to or that the Mexican Government agreed to such violations.

Navy Secretary on Anti-Drug Smuggling Efforts
FL161910 Mexico City NOTIMEX in Spanish
1945 GMT 15 Dec 87

[Excerpt] Mexico City, 15 Dec (NOTIMEX)—President Miguel de la Madrid received Navy Secretary Admiral Miguel Angel Gomez Ortega today in a private meeting. Adm Ortega gave him a detailed report of the Navy's struggle against drug smuggling in various areas in the country.

The head of the Navy gave the media a copy of the report delivered to Miguel de la Madrid. The document states that "Alert 88" operations will begin in January. They will take place at naval training centers in Campeche and Baja California.

The report states that the Navy Secretariat has seized and burned 11,889 kg of marijuana and 39 kg of marijuana seeds since 12 November. It also confiscated 20 joints [carrujos] and 2,691 marijuana plants. [passage omitted]

Costa Rica

Government Agrees on Inviting Castro To Visit *PA191829 Panama City ACAN in Spanish 1725 GMT 19 Dec 87*

[Text] San Jose, 19 Dec (ACAN-EFE)—Acting Costa Rican President Jorge Manuel Dengo and Foreign Minister Carlos Rivera Bianchini agree with the suggestion to invite Cuban President Fidel Castro to visit Central America.

This is the first official reaction to Guatemalan President Vinicio Cerezo's suggestion that Castro be invited to participate in an analysis of the Central American situation "and help settle it."

The government's position was revealed a few hours before President Oscar Arias' return from a 2-week trip to Europe to receive the 1987 Nobel Peace Prize in Norway, with visits to Sweden, Finland, and Denmark.

Two days ago in Denmark Arias said that Castro must stop training and supplying the Salvadoran guerrillas in order to speed up the Central American peace process.

Before that, he had said he is willing to visit Havana to meet with Fidel Castro to discuss putting an end to the war in the area.

Rivera Bianchini stressed that the Costa Rican Government is ready to meet with anyone who can help achieve peace in Central America.

According to the Guatemalan initiative, the invitation to Fidel Castro would be presented as a motion at the meeting of the five Central American presidents in San Jose on 15 January 1988.

Political observers believe the invitation will be issued since it has already been approved by Guatemala, Costa Rica, and Nicaragua.

The acting Costa Rican president said Guatemala has not yet officially presented its suggestion, but he said President Arias will support it because he is determined not to ignore any effort to achieve peace.

Dengo Criticizes Panamanian Envoy's Charges *PA171837 San Jose Radio Reloj in Spanish 0100 GMT 17 Dec 87*

[Text] The only matter discussed by the Council of Government today was the charges publicly raised by Panamanian Ambassador David Pere about a plot to assassinate General Manuel Antonio Noriega and about the movement of weapons from Costa Rica to Panama.

Acting President Jorge Manuel Dengo said he felt it necessary for him to know the views of the members of the Council of Government about the Panamanian

ambassador's arrogant action [desplante]. Public Security Minister Hernan Garron Salazar, Government Minister [as heard] Rolando Ramirez, and [acting] Foreign Relations Minister Carlos Rivera Bianchini presented reports on this situation.

Acting President Dengo described the accusations and charges raised by the Panamanian ambassador as unintelligible. He explained that the charges in no way impair friendly relations between the Costa Rican and Panamanian people because this did not originate in the Panamanian Government. Dengo feels the charges stem from Pere's own attitude; they cast doubts on Costa Rica's neutrality policy and President Arias' peace plan. They, in fact, involve charges of negligence against Costa Rican authorities, and Pere at no time took any action concerning the matters he mentioned.

Dengo added that the ambassador's charges are imprecise and fantastical, and Pere did not prove them. He said the ambassador was asked to be more specific but could not do so. Dengo said two aspects of the allegations cause concern to the government, but he made it clear that this matter concerns the Panamanian Government and, therefore, no decision has been made thus far to take any action regarding the ambassador's remarks.

The government will try to avoid more problems. We do not want to take any hasty action that could result in behavior like that of the ambassador; therefore, we will be very cautious to avoid causing larger problems, the acting president said. He noted that there has been no incident with the Republic of Panama, with which we maintain excellent relations. Therefore, any inexplicable behavior by an official can in no way harm the relations between the two nations.

Dengo reiterated that it behooves the Foreign Ministry to continue the proceedings and investigations about the charges and to decide what steps to take.

Rivera Reaffirms Neutrality *PA171929 San Jose Radio Reloj in Spanish 1200 GMT 17 Dec 87*

[Text] Costa Rica has reaffirmed its policy of neutrality, a policy that is not just a proclamation but a clear and daily experience that all countries in the world can see, Acting Foreign Minister Carlos Rivera has asserted.

He was emphatic about this, saying the government does not accept doubts about its position regarding compliance with the neutrality policy, which applies not only to Central American countries. Because of the policy's limited application the Costa Rican Government does not accept doubts regarding its position on this subject.

Rivera said that information is being gathered, that many aspects are being considered, and that there will be no haste in adopting decisions. He said that the Panamanian Government has been asked for its opinion on

the statements made by its ambassador in San Jose to definitely resolve the situation. In the past 3 days there have been talks with the Costa Rican ambassador to Panama and with Panamanian Government authorities to make the necessary decisions, the acting foreign minister said.

Panamanian Envoy Removed

PA190338 Hamburg DPA in Spanish 2120 GMT
18 Dec 87

[Text] San Jose, 18 Dec (DPA)—David S. Pere, Panamanian ambassador to Costa Rica for over 1 year, was removed from his post today by his country's government because of statements he made Monday against Costa Rica.

Costa Rica's acting foreign minister, Carlos Rivera, confirmed to DPA that Panamanian Foreign Minister Jorge Abadia Arias had advised him today of Pere's dismissal.

The Panamanian ambassador had distressed the Costa Rican Government by calling a news conference on Monday to denounce "a joint plan by Costa Rica and the United States to assassinate General Manuel Antonio Noriega," commander in chief of the Panamanian Defense Forces (FDP), "on 15 or 16 December 1987."

Pere said that "the Costa Rican Government violates its neutrality and some of its government officials show their complicity while others engage in acts of corruption."

The Costa Rican Government reacted and acting President Jose Manuel Dengo demanded an explanation from the Panamanian Government "as to whether it backed up Ambassador Pere's statements."

Today the Panamanian Government disavowed Pere's claims and offered apologies to the Costa Rican Government.

Foreign Minister Rivera said the Panamanian Government's explanations have satisfied Costa Rica fully and that the matter will be forgotten.

Pere served as Ambassador to Costa Rica from 1974 to 1980, then he served in El Salvador from 1980 to 1986, and that year he returned to Costa Rica.

El Salvador

Duarte Comments on Role of Armed Forces

PA192145 San Salvador Television Nacional in Spanish
1700 GMT 18 Dec 87

[Speech by President Jose Napoleon Duarte at graduating ceremony of the Captain General Gerardo Barrios Military Academy on 18 December—recorded]

[Excerpts] [Passage omitted] This conflict that is needlessly causing a bloodbath in the nation has lost every reason for being because of the democratic revolution we

are promoting. Unfortunately, the Marxist-Leninists have rejected the road toward democracy. They are clinging to violence as the sole instrument for achieving power. They cynically refer to their strategy for establishing that totalitarian system as the protracted popular war. The deadly objective of this war is first to weaken the people's work ethic and morale. The people directly suffer the consequences of the terrorist actions. Second, it seeks to destroy our democratic process.

That is why, in their vain effort to achieve power, the FMLN-FDR has adopted all the methods of revolutionary warfare. In the early sixties they began a quasi-conventional war against the Armed Forces and failed. Later, they opted for subversive warfare against the government and failed again. Then, they tried to promote a war of insurrection and once again failed. They unleashed an economic war, and again they failed. They are continuing the mine warfare to terrorize the peasants and are failing again. Finally, they are waging the absurd and crazy war against agricultural and livestock installations, such as the slaughtering of cattle in San Miguel 3 weeks ago. They even dared to celebrate this action as an execution. Yet this is the final proof of the decay of the protracted war.

We have countered these actions with a democratic revolution. This revolution aims to actively unite the various sectors and the state so that all of us, united and motivated by liberty, justice, and peace, may positively contribute to achieving these objectives and to consolidating the foundations of the democratic future of our fatherland.

Security units and the process of peace and democracy: As part of its strategy for peace, the government has pledged to promote the training of the bodies in charge of enforcing the law and public order. The presence of young graduates specializing in public security allows me to reiterate that the fight against common crime and urban terrorism mandates that we expand our operational capability. Our purpose is to ensure greater protection of human rights, better service to society, and, most of all, greater conviction and devotion to the cause of peace and democracy. Hence, the establishment of the Academy for Public Security Officers, which is graduating its first class today, represents a major step in the professionalization in this field that is so sensitive in the country's institutional life. [passage omitted]

Concurrent and complementary duties: Young officers, the fortunate coincidence of the two graduations of the Captain General Gerardo Barrios and the Public Security Academy allows me to remind you that each of your specializations must fulfill its own concurrent and complementary duties specified in the Constitution and the legal military organization, within the structure of your units.

Protection by the Armed Forces: I will reaffirm on this solemn occasion that the Armed Forces' effort to consolidate democracy and achieve peace requires that each Salvadoran reflect again in his heart of hearts on whether he wants peace or violence; if he prefers democracy or totalitarianism. If the people want violence we will never consolidate democracy or achieve peace. However, in El Salvador all of us want democracy and peace.

Young officers, although we know that the road is long and difficult, that is why we are striving to reinforce democracy and build peace. All efforts by the Armed Forces to maintain territorial integrity and the sovereignty of the Republic, all the political efforts by the government to see if somehow the armed rebels will forsake terrorism and crime to join the democratic efforts, in sum, all efforts undertaken through Esquipulas II show the Salvadoran people that we are doing what we have to do in order to achieve peace. [passage omitted]

Young second lieutenants, the March 1988 elections in El Salvador will be a reiteration that the only legitimate way for people to express themselves is the democratic process, rejecting violence as a means of achieving political power. There should be no doubt about the freedom and the legitimacy of the next elections in El Salvador. The winner at the ballot box does not matter because the only victor will definitely be the Salvadoran people.

In this regard, the mission of the Armed Forces within the democratic process is at the highest level in the perspective of world history. In other words, the conduct of the Armed Forces transcends political partisan interests and is instead based on the supreme national interest. The prestige achieved by the institution as a faithful defender of the democratic process must be preserved and strengthened.

Messrs chiefs and officers of the Armed Forces, I take advantage of this memorable occasion of the graduation of the new Armed Forces officers to state that, by virtue of the foregoing and as commander in chief of the Armed Forces, I have decided to order, on the basis of the Constitution, a normal operational procedure in which it will be established that the only valid participation of the Armed Forces and of each of their members will be to fully guarantee the freedom to vote. I reiterate my absolute confidence that the Armed Forces will resolutely support the free will of the Salvadorans as expressed at the polls.

Young officers who have graduated from the military academy and the public security academy, you embody the will of the fatherland. You have been trained and prepared to serve the people with discipline, loyalty, honor, and the spirit to serve. For the best fulfillment of this mission I urge you to also maintain the spirit of unity of the institution, because just as there is a Marxist-Leninist tactic which seeks to destroy the Armed Forces,

there are also isolated voices which, because of personal or sectarian reasons, do not hesitate to adopt political attitudes which seek to create divisions in the Armed Forces. I am sure that just as the Armed Forces have the human and technical resources to defend themselves from the aggression by the terrorist enemy, they also have the rational and ethical resources to preserve the unity of the institution. [passage omitted]

Opposes Christmas Truce

PA182311 San Salvador Radio Cadena YSKL
in Spanish 1730 GMT 18 Dec 87

[Report by Rosi Castillo on news conference by President Jose Napoleon Duarte with unidentified reporters following his speech to graduating class of Captain General Gerardo Barrios Military Academy on 18 December]

[Text] This is a direct report from the military school. Today, the 58th graduation of officers was held. Salvadoran President Jose Napoleon Duarte attended the ceremony. In his speech he stressed that as usual the Armed Forces will not vote in the next elections. He also stated that the most difficult thing for him in 1987 was the dialogue with the armed rebels. Here are excerpts of his remarks to newsmen following the ceremony.

[Begin recording] [Duarte, in progress] ...well, perhaps the FMLN-FDR's stubbornness which makes them want to take power through violence. Although I have made different appeals to them, there is no way to make them understand that they must change that course.

[Reporter] Mr President, what will the Armed Forces' duty be in the next elections? Apparently, the Armed Forces will not vote. Why was this decision made?

[Duarte] The Armed Forces made this decision 7 years ago, and it has adhered to that in the past four elections. The reason is as follows: If the Armed Forces grant leave to soldiers so they can vote, those soldiers are unable to provide protection. Providing protection is more important than having a soldier vote since that may jeopardize national security. That is why in this case, as on other important dates, the Armed Forces are deployed so they may accomplish their mission. That is the reason.

[Reporter] [Words indistinct] can you tell us about the topics discussed with Mr [name indistinct].

[Duarte] I think that the talks with [name indistinct] aim to find out from the Central American presidents how things are going here. Naturally, they are concerned by the impact of the Central American situation on U.S. security and on the Central American democratic process. Yesterday we discussed these issues. He asked me what was going to happen at the presidents meeting on the 15th [of January]. They were concerned that we would not stress compliance with the fundamental aspects of Esquipulas II. I said that I signed a document

in order to abide by it. If I had signed it in good faith, it was so that all the presidents may abide by it. I would tell that to any president who is not going to abide by it during the meeting. I am not going to ignore the fact that if a person pledges something or signs something, or gives his word of honor, he must abide by it. Otherwise, we have to demand this from him.

[Question indistinct]

[Duarte] No. It has not been possible.

[Reporter] Mr President, last Sunday the San Salvador archbishop made a plea for a stop in the fighting during Christmas [words indistinct].

[Duarte] I do not see any benefit from it. We have done it in 3 consecutive years, but the guerrillas have attacked each time. In fact, remember the recent cease-fire. For 20 days we were exposed to continuous attacks and to the cost it entails. Therefore, agreeing to something that may imperil the security of the troops and the protection of the nation is not advisable. [end recording]

These were the remarks by President Duarte on a possible truce.

In addition, he noted that the country's economic recovery has been noticeable in 1987. We can see the high sales in stores and dollars circulating everywhere, the president noted during the 58th graduation ceremony at the military school.

Duarte on Threats To Himself, Rivera y Damas
*PA171440 San Salvador Canal Doce Television
in Spanish 0300 GMT 17 Dec 87*

[By Marco Antonio Guevara]

[Text] President Jose Napoleon Duarte today reported that he has received death threats from radical groups in the country. When questioned about death threats made to the Salvadoran archbishop [Msgr Arturo Rivera y Damas], President Duarte said Wednesday that he has asked the security forces for protection for Msgr Rivera, who is a representative of peace whom we must all protect.

[Begin recording] [Duarte] I absolutely (?dismiss) any threat and have asked the security forces to provide protection [words indistinct], particularly for Msgr Rivera, who is someone we must all protect, not only because he is [words indistinct] the work he is doing for peace.

[Question indistinct]

[Duarte] [Words indistinct] anonymous notes and telephone calls. This is all part of the process we are experiencing [words indistinct] to seek dialogue and peace. However, what they do not (?realize) is that they will not make me change. [end recording]

Guatemala

URNG To Declare 23 December-1 January Truce
PA200034 Paris AFP in Spanish 2311 GMT 19 Dec 87

[Text] San Jose, 19 Dec (AFP)—The news agency CERIGUA, linked to the Guatemalan rebels, has reported that the guerrillas will decree a truce to go into effect between 23 December and 1 January as a "good will" gesture.

According to the report, the URNG's General Command has instructed the rebels to fall back to their camps and not engage the government's troops in combat during the truce.

The URNG includes four leftist organizations which initiated an armed struggle in Guatemala nearly 30 years ago.

In a Christmas message, also reported by CERIGUA, the rebels pointed out: "It is possible to achieve a political solution in the country through dialogue between URNG and the government to unite all the political and social forces of Guatemala."

The report stated: "In this way, Guatemala would truly begin to fulfill the Central American peace accords."

Government and guerrilla representatives met in Madrid 2 months ago to try to find a political solution to the conflict. President Vinicio Cerezo, however, suspended the negotiations some time later.

Nicaragua

Contras Launch Operation With 7,000 Fighters
*PA202239 Madrid EFE in Spanish 2140 GMT
20 Dec 87*

[Text] Washington, 20 Dec (EFE)—The largest offensive launched thus far by the contras against the Managua government began today before dawn in northwestern Nicaragua, a Nicaraguan Resistance spokesman said today.

Bosco Matamoros told EFE that "Operation Oliverio," which began at 0400 today, consists of more than 7,000 fighters distributed among 11 regional commands.

The spokesman said that the operation is taking place in the northern Zelaya Province, especially near the gold mines located near the towns of Sinua, Rosita, and Bonanza, which are defended by large Army contingents.

Matamoros added that the purpose is to destroy military objectives, mining installations, and a communications center for radar transmissions and the monitoring of marine navigational equipment [un centro de comunicaciones de radar y radiogonometria].

The purpose of the offensive is also to destroy three airstrips used to resupply Soviet Antonov-26 aircraft and M-17 and MI-24 helicopters.

The offensive coincides with the negotiations being held in Washington between the White House and Congress for new aid for the contras and the forthcoming indirect negotiations in Santo Domingo between the Nicaraguan Government and the Nicaraguan Resistance.

The contra spokesman said that today's offensive "demonstrates that we can undertake tactical initiatives and that we have the ability to attack."

5 Children Killed

*PA210303 Managua Domestic Service in Spanish
0127 GMT 21 Dec 87*

["Last minute report" by Carlos Jose Guadamuz, general director of La Voz de Nicaragua—live]

[Text] This is a last minute report for our people. We want to report on the Christmas present that President Reagan, the mercenaries, and his allies here in Nicaragua have dedicated to Nicaraguan children, I repeat, the Christmas present that President Reagan and his allies—the 14 parties that are causing problems—are giving to Nicaraguan children.

The report is that a cooperative located in Kukumeca, 10 km east of the Rama River, in the 5th Region, has been attacked by the Somozist mercenaries and Reagan's agents, leaving five children dead. Five children are dead as a result of attacks by mercenaries, attacks perpetrated by Reagan and his allies, his domestic allies, the ones who are here in this country screaming every day in favor of Reagan.

Five dead children is the result of this mercenary attack in Kukumeca, 10 km east of the Rama River.

There is no confirmation yet whether three women, also wounded, have died or whether they are still alive. Those three women were seriously injured, but we have not been able to confirm yet whether they have died as a result of their wounds. Preliminary reports revealed that the three women had indeed died in the mercenary attack.

Aside from the five dead children, and possibly three dead women, we received reports that 14 civilians were wounded in the mercenary attack on the Kukumeca cooperative. The inhabitants of this cooperative were completely defenseless, especially the five children murdered by the contras.

We hope that the famous 14 parties, President Reagan, and the mercenaries will be very pleased with the death of these five children. Our people will respond vigorously until Reagan, his mercenaries, and his allies within the country have been completely defeated.

It has also been reported that the U.S. Congress at this very moment continues to debate the economic support that the United States will give to the contras. The amount under discussion is \$19 million for military aid to the contras.

As we all know, this constitutes a flagrant violation of the Esquipulas agreements. We would like to tell all those who continuously ask whether Nicaragua is complying or not [with the Esquipulas agreements] and whether Nicaragua has done this or that—we would like all of these hypocrites to recognize the river of dollars flowing from the United States, being approved right now in the United States, to continue to finance crime and murders, such as the murder of these five children, and to not concern themselves with Nicaragua's compliance or non-compliance. Until now our revolution and our combatants have not assassinated a single child, as the counter-revolutionaries and Reagan have been doing for the last 5 years in our country.

Concerning the reported attacks on the mines, it is clear that this is only a propaganda maneuver on the part of the mercenaries to obtain U.S. Congress support. The \$19 million being discussed at this time will most likely be approved, so that the blood will continue to flow in our country and so that children will continue to be murdered, just as the five children were murdered today in Kukumeca, 10 km east of the Rama River.

This is the Christmas present—we repeat—that President Reagan, the mercenaries, and their allies inside Nicaragua are bestowing on Nicaraguan children. This is the merry Christmas being offered our people.

For our part, the EPS soldiers and our armed people will continue to give lead [bullets] to these criminals so they will be defeated and will stop killing children as they have been doing for 5 years, and as they have done today, killing five innocent peasant children in Kukumeca, 10 km east of the Rama River.

This has been a last minute report, and we will continue to inform our people through La Voz de Nicaragua.

Further on Cooperative Attack

*PA211325 Managua Domestic Service in Spanish
1208 GMT 21 Dec 87*

[Text] While the Nicaraguan people are preparing for Christmas, praying and working for peace, and building a new destiny in which social justice prevails, yesterday at 0400 the Reagan administration launched a new terrorist attack against Kukumeca cooperative, 10 km east of Rama.

Five children, two working women, and three heroic militiamen were killed in this criminal mercenary action. The people in charge of the cooperative's defense killed five of the U.S. Government employees, according to reports confirmed last night by the Defense Ministry.

The [Defense Ministry] communique confirms that 14 peasants were injured, including six women and eight militiamen. The regional defense courageously repelled the attack.

Contras Report Damage

PA210447 Paris AFP in Spanish 0359 GMT 21 Dec 87

[Text] Miami, U.S.A., 20 Dec (AFP)—Approximately 100 Sandinist soldiers were put out of action and several installations were destroyed during the first day of "Operation Commander Oliverio" launched by the Nicaraguan Resistance (RN), a spokesman for the organization announced in Miami today.

Jorge Rosales, the spokesman, citing contra Commander in Chief Enrique Bermudez, said that the anti-Sandinist fighters destroyed the radar installations and two ammunition dumps in Siuna as well as the airport installations in Siuna, La Rosita, and Bonanza, the three towns that were attacked.

Two bridges were also destroyed between Rosita and Puerto Cabeza, an important port on the Atlantic coast, as well as an electric power plant. The contras also seized 1,000 rifles and one DCA [not further identified] with its ammunition, added Rosales.

This operation, in which 7,000 men participated, according to the RN, is the most important one organized by the contras since the beginning of the civil war in Nicaragua 6 years ago.

Government, RN on Offensive

PA210515 Panama City ACAN in Spanish 0410 GMT 21 Dec 87

[Text] Managua, 20 Dec (ACAN-EFE) — Hundreds of contras early Sunday attacked three mining towns in the northern Atlantic region in an operation that presumably has resulted in dozens of casualties inflicted on both sides.

Nevertheless, late tonight both Nicaraguan Government and rebel sources gave only partial information about the clashes.

La Voz de Nicaragua, the government's official radio station, has reported that approximately 1,000 contras attacked Rosita, Bonanza, and Siuna, near mines protected by military units and approximately 80 km from the Honduran border.

The government radio station reported that the anti-Sandinist forces entered Rosita at 0300 and were repelled at 1100, that is to say, after 8 hours.

The station added that, while fleeing, 10 contras were killed after setting fire to a Construction Ministry building and clashing with residents of three cooperatives. The station, however, did not mention the number of Army or civilian casualties.

The same source said that fighting still continued at Siuna at 1600, although the anti-Sandinists were "being repelled."

The radio station failed to mention the situation at Bonanza, the third of the towns attacked.

In addition, contra sources said over the telephone at 2100 that they still held their positions, had inflicted a large number of casualties on the EPS during ambushes, and had destroyed the arsenal at Bonanza.

These same sources claimed in the morning that 7,000 men participated in the operation, called "Commander Oliverio," "to demonstrate the Nicaraguan Resistance's military ability, which has been doubted by some."

Simultaneously, early on Sunday the contras attacked the Kukumeca cooperative in the southern region of the Atlantic coast, killing 10, including five children and two women, and wounding 14.

The Defense Ministry's official report released tonight said that five contras were killed during a clash with the militiamen who lived in the cooperative.

The two attacks have occurred just prior to the beginning in Santo Domingo of the second round of negotiations between Sandinists and contras for a cease-fire with the mediation of Cardinal Miguel Obando y Bravo and while the U.S. Congress debates whether or not to keep financing the rebels.

RN Accepts Truce for 24, 25 December

PA182232 Managua Radio Sandino in Spanish 1930 GMT 18 Dec 87

[Text] The Somoquist contras have decided to accept the truce proposed by Cardinal Miguel Obando y Bravo for 24 and 25 December, Msgr Bismarck Carballo, Managua archbishopric spokesman, announced today.

Mercenary leader Aristides Sanchez informed Cardinal Obando y Bravo this morning that the contra leadership had accepted the cease-fire. Msgr Carballo said the contras have already appointed six military advisers to travel to Santo Domingo on Monday to technically agree on a cease-fire.

[Begin recording] [Carballo] This morning Dr Aristides Sanchez, a representative of the Nicaraguan Resistance [RN], called Cardinal Obando y Bravo to inform him that the RN had decided to accept the cardinal's request made during the talks in the Dominican Republic that both sides observe a cease-fire during 24 and 25 December. This is obviously considered a success by the cardinal, who is the mediator, because both the Nicaraguan Government and the RN have accepted a cease-fire on 24 and 25 December.

[Reporter] Regarding the military advisers who will technically agree on a cease-fire, do you know who those representing the government and the contras will be?

[Carballo] Earlier this morning the RN said in a telephone call that they were having problems with their plane reservations because the Christmas season is so close. However, they just informed us that all RN advisers will attend the meeting, although they did not give us their names. President Ortega told Cardinal Obando y Bravo a few days ago that the government will send a technical group made up of foreign advisers. [end recording]

Ortega on Contra Talks, Truce, Dialogue, F-5s

PA191525 Managua Radio Sandino in Spanish
1200 GMT 19 Dec 87

[News conference held by President Daniel Ortega Saaavedra with unidentified reporters at the Heroes and Martyrs Room of the Presidential Palace in Managua on 18 December—recorded; broadcast in progress]

[Text] [Ortega] ...this technical team will go to the Dominican Republic meeting because they will be discussing technical aspects linked to a cease-fire agreement. Since Cardinal Obando y Bravo proposed a meeting among experts, and in view of the fact that the contras—in other words, the U.S. Government through the contras—rejected the group proposed by Jim Wright, we decided to invite, on behalf of Nicaragua, Mr [Hans Juergen] Wischniewski, known for his concern over Central America. He has visited our country and the other Central American nations many times. He has actively participated in cases such as the negotiations to obtain President Duarte's daughter's release and the release of seven FRG volunteer workers who were kidnapped by the mercenaries here in Nicaragua, and he has close ties with the Central American and Nicaraguan governments. We invited him to participate and contribute to this effort.

We also invited Roger Fischer, who is a Harvard University expert. He is an expert on security and cease-fire matters. We also invited Paul Richler, a member of a U.S. law firm who participated in the suit that Nicaragua filed at the International Court of Justice against the United States. They will be accompanied by their own team. They have support personnel.

However, the important people are Messrs Wischniewski, Fischer, and Richler. They will be in Santo Domingo to participate in this effort to specifically work on a cease-fire agreement.

[Reporter] What can be expected from the secret visit that Reagan's envoy paid to Central America, including Nicaragua?

[Ortega] We can expect nothing positive because President Reagan's government insists on seeking more money for the mercenary forces. At this very moment the U.S. Congress is discussing the amount of this financing, and any money for the mercenary forces violates the Guatemala agreements because the Central American countries clearly called for the suspension of any financing for irregular forces or insurgent groups in Central America.

The United States [words indistinct] rejecting the Guatemala agreements [words indistinct] I am sure that his envoy [words indistinct] sending F-5's to Honduras, and, in addition, making a big scandal when Nicaragua defends its right to arm itself when it is being attacked. Nicaragua has always been willing to seek a reasonable balance of forces in Central America, a reasonable balance of forces in Central America [repeats himself] [words indistinct] put an end to this war that affects Central America. This is why, in view of Cardinal Obando y Bravo's cease-fire proposal, the Nicaraguan Government has been actively working for this cease-fire that was outlined in the Guatemala agreement.

Therefore, Cardinal Obando y Bravo, who understands very well that a cease-fire is a specific issue, has called for continued talks. The other call he made was to agree on a Christmas truce. We also heeded that call. We want this Christmas truce to be effective from 0000 on 24 December until 2400 on 25 December.

[Reporter] [Words indistinct] the Christmas truce now that the contras said they will also abide by it?

[Ortega] The truce means our troops will only repel contra attacks. The contras spoke of a truce when we held the meeting [words indistinct] December but [words indistinct] several attacks. Therefore, our troops will not lower their guard, will not become trusting, and will remain on alert.

[Reporter] Comrade President, one of the points of the Esquipulas agreements that the government has to implement is at an impasse right now: the national dialogue. Will the government show more flexibility in face of the political parties' intransigence?

[Ortega] The national dialogue is continuing. It has not ended. The dialogue was suspended by the opposition groups that withdrew from it. However, we are willing to continue the dialogue.

[Reporter] [Words indistinct] meeting in Costa Rica of Central American presidents to discuss Esquipulas II?

[Ortega] Well, yes, that meeting has been scheduled since 7 August and it has been confirmed that it will take place on 15 and 16 January.

[Reporter] When will mercenary Denby be turned over to our courts?

[Ortega] He is in the hands of the appropriate authorities and in due time he will be turned over to...

[Reporter, interrupting] [Words indistinct] the Nicaraguan Resistance insists on a meeting in Nicaragua between them and Cardinal Obando y Bravo—a meeting in Managua, I mean. I want to ask you two questions: Have you heard about this? What will be your reaction to this?

[Ortega] We already know about it. We have been told about it several times. The contras insist on holding a meeting in Managua or a Central American country. However, I have explained that it would not help the Esquipulas agreements. We would be violating the Esquipulas agreements if it was held in any Central American country. Therefore, Nicaragua disagrees with holding it in any Central America country, except Panama, which is also part of the Central American isthmus.

Regarding holding this meeting in Nicaragua, it would only be possible if the contras accept the amnesty and put down their weapons.

[Reporter] Will there be changes in your cabinet next year?

[Ortega] Well, the ministers usually submit their resignation at the end of the year. The members of the cabinet already did this. We will see if it is necessary to change the cabinet or not. The truth is that we do not go by the calendar to change ministers. I change ministers whenever necessary regardless of the date.

[Reporter] How does Nicaragua view the delivery of F-5 planes to Honduras?

[Ortega] This shows that the United States is delivering F-5 planes to Honduras, which is not facing any large insurgent groups; there are small insurgent groups in Honduras. However, the United States wants to deny Nicaragua the right to have interceptor planes to face the aggression that the United States is launching against our country. Therefore, this is a provocative attitude taken by the United States to torpedo the implementation of the Guatemala agreements. Thank you.

Government Declares Food Emergency, Requests Aid
WA202134 Paris AFP in English 1922 GMT 20 Dec 87

[Text] Managua, Dec 20 (AFP)—The Nicaraguan Government declared Sunday a "national food emergency" brought on by widespread drought and issued an urgent call to the international community to come to its aid.

Drought has savaged the country's crop harvests causing losses of up to 75 per cent of the beans, 45 per cent of sorghum, 25 percent of corn crops and 10 percent of rice—all basic ingredients of the Nicaraguan diet.

Some 530,000 Nicaraguans have been directly affected, mainly in the capital and in the northern and Pacific coast portions of the country. In many areas, residents already use rationing coupons because of the scarcity of food.

Agricultural Reform Minister Jaime Wheelock said that the drought has already caused 100 million dollars in crop losses, a departure from last year when Nicaragua exported 260 million dollars-worth of agricultural products.

The country's principal export crops such as cotton, coffee and sugar cane have suffered losses of about eight million dollars, Mr. Wheelock said.

The bloody six-year war that has gripped Nicaragua has displaced farmers and interrupted usual agricultural production, prompting the government to use rationing in some areas to assure that Nicaraguans get basic food stuffs.

Argentina

Legislator on Possibility of Debt Moratorium *PY202134 Buenos Aires BUENOS AIRES HERALD* *in English 18 Dec 87 p 5*

[Excerpt] (NA-DYN)—Lower House Speaker Juan Carlos Pugliese yesterday admitted that Argentina might stop paying its foreign debt.

When asked about the possibility of Argentina declaring a unilateral moratorium on its 54-billion dollar debt as of February, Pugliese said: "Those measures have not been announced; first you take them, and then you explain them."

He added he did not know whether such a move would be "positive" or whether "we can carry it out."

Meanwhile, Economy Ministry sources yesterday denied rumors about new negotiations with creditor banks aimed at obtaining new loans to meet mounting debt interests, and announced that Argentina will receive 496 million dollars by the end of this month. This figure is part of the 1.95 billion-dollar loan granted by creditor banks in August.

Sources came across press reports indicating that the steering committee reportedly rejected a request from Argentina for 1.5 billion dollars worth of fresh funds. [passage omitted]

Defense Minister Stresses Unity of Forces *PY202211 Buenos Aires BUENOS AIRES HERALD* *in English 20 Dec 87 p 15*

[Text] Speaking at the graduation ceremony of junior officers of all three forces Defense Minister Horacio Jaunarena warned that "verbal self-criticism is no good unless it is accompanied by behaviour to show that errors won't be repeated" and that "there are no civilian and military societies but only one society we must all serve."

After the actual graduation ceremony for the 286 new officers (115 from the Army, 91 for the Navy and 80 for the Air Force), which was reviewed by President Raul Alfonsin, Jaunarena exhorted the graduating officers to seek "a profound union between the Armed Forces and the nation," underlining that "no nation can be built without the joint effort of civilians and the military."

Although Jaunarena was the only speaker, he and the President were accompanied by Vice-President Victor Martinez, Lower House Speaker Juan Carlos Pugliese (Radical-Buenos Aires), [head of the] Joint Chiefs-of-Staff Teodoro Waldner, and the chiefs-of-staff of the Army, Navy and Air Force—General Jose Dante Caridi, Vice Admiral Ramon Arosa, and Brigadier-General Ernesto Crespo, respectively. The ceremony took place at the El Palomar military institute.

"We would be making a grave mistake before you, future officers, if we did not admit that we are all, to different degrees, by action or omission, responsible for our past," he said.

"It takes courage to live by the Constitution. It takes courage to die for it," he added.

The minister stressed that "no doubt the military career must be imbued in a deep sense of morality, but in fact we are all the moral reserve of the nation because it is impossible to be a soldier or man of honour in a republic with no honour."

He also underlined the importance of the joint ceremony because "it is no longer possible to conceive the autonomous development of the forces."

In that respect, he instructed the new officers to "take a good look at the faces of your peers from other forces" because "you will meet them again many times throughout your career since we will boost the co-ordination of efforts between the forces."

In a separate development, President Alfonsin signed decrees awarding Armed Forces personnel a 16-18 percent wage hike for the last quarter of the year. It will be payable before December 31.

Former Cordoba Governor Obregon Cano Freed *PY202143 Buenos Aires BUENOS AIRES HERALD* *in English 20 Dec 87 p 15*

[Text] (NA-DYN)—Ricardo Obregon Cano, former governor of Cordoba during the last Peronist government and a Montonero leader, was yesterday freed after serving two-thirds of a six-year sentence.

Obregon Cano spent three years in prison following his conviction on illegal association charges and one year in pre-trial detention. He was also given time off for good behaviour. The ex-governor was arrested upon his return to the country in 1983 after eight years in exile.

On leaving U-22 prison yesterday, Obregon Cano described his imprisonment as "unfair" and said he wished to return to Peronist politics in order to contribute towards "a Justicialist victory in 1989."

Obregon Cano looked weary but happy as he walked out of jail to be greeted by around 100 friends, relatives and political leaders including Pablo Unamuno and Patricia Bullrich of the Peronist Youth.

Last November he was acquitted of complicity in the attack on military regime treasury secretary Juan Alemann and in the murder of businessman Francisco Soldati.

While Obregon Cano was governor of Cordoba in 1973, he suffered the kidnap and murder of his vice-governor, Atilio Lopez, a UTA [Motor Transport Workers Union] transport workers union leader. The Triple A rightwing terrorist organization pumped more than 70 Itaka rifle bullets into Lopez' body.

Briefs

Buenos Aires Governor Sworn In

In a ceremony held today Antonio Cafiero was sworn in as new Buenos Aires Province governor and Luis Maria Macaya as vice governor. Cafiero replaces Alejandro Armendariz. [Summary] *[Buenos Aires NOTICIAS ARGENTINAS in Spanish 2315 GMT 11 Dec 87 PY]*

Bolivia

Minister Denies Cabinet Reshuffle Rumor

PY181845 La Paz Radio Panamericana in Spanish 1130 GMT 18 Dec 87

[Text] Planning and Coordination Minister Gonzalo Sanchez de Lozada has stated that President Victor Paz Estenssoro is the only person who can change his cabinet. He said that he is not planning to resign, but that he will comply with President Estenssoro's decision. In the last few hours there have been rumors about a letter containing the cabinet's collective resignation. Minister Lozada stated that these rumors are unfounded.

[Begin recording] [Lozada] The truth is, I think my ministry is functioning well, but I honestly do not have any information at all. I have not heard anything about those rumors, and I do not believe most ministers want to resign. I do not know where those rumors originated.

[Reporter] Have you discussed this with the head of the cabinet, the foreign minister?

[Lozada] No, yesterday we discussed administrative matters, but we did not talk about this subject. [end recording]

According to Minister Lozada, the current situation of the MNR has many causes, including the poor performance of the electoral team.

Lozada mentioned the criticism that certain MNR members have made regarding the harshness of the new economic policy and added that those who criticized this policy were the ones responsible for the municipal elections; therefore, the MNR's failure in the elections cannot be attributed to him.

General Denies Newspaper's Weapons Report

PY181259 La Paz La Red Panamericana in Spanish 1130 GMT 17 Dec 87

[Text] General Romulo Mercado, commander in chief of the Bolivian Armed Forces, has stated that the report published by a La Paz newspaper about imported weapons and their alleged destination is ridiculous. Mercado said that this slanderous report, which involves the 2d Department of the Armed Forces, is an attempt to insult the dignity of the Armed Forces. Mercado added that the report is meaningless and irresponsible. According to the report, the 2d Armed Forces Department has a secret document which states that the weapons illegally brought into Bolivia were intended for Shining Path guerrillas.

The report also speculates that the weapons could have been intended for use in killing Bolivian President Paz Estenssoro, former Bolivian President Hugo Banzer, Peruvian President Alan Garcia, and Pope John Paul II.

Gen Mercado said that the Armed Forces will begin an investigation to uncover the intentions behind the report. Mercado added that the Armed Forces have already fully investigated the illegally imported weapons.

Gen Mercado is extremely annoyed over the manner in which the name of the Armed Forces has been misused and at the connotations implied in the report.

Minister Reports Large Cocaine Operation

PY190244 La Paz La Red Panamericana in Spanish 0000 GMT 19 Dec 87

[Excerpt] [Passage omitted] Interior Minister Juan Carlos Duran yesterday confirmed that an important antinarcotics operation was carried out in Zone Three, Chapare Region. Authorities seized a total of 1,006 kg of cocaine.

[Begin Duran recording] Some people have been arrested, and the vehicle in which the drug was being transported has been confiscated. I have ordered the immediate destruction of the drug in accordance with current legal dispositions and due to security reasons. Authorities from the so-called (FONE) [not further identified] were present at the burning of the drug.

I have also ordered authorities to begin an investigation, to take statements, file charges, and place suspects at the disposal of the courts. [end recording]

Brazil

Policy Differences Spark Bresser Resignation

PY181609 Sao Paulo Radio Bandeirantes in Portuguese 1500 GMT 18 Dec 87

[Text] After studying Finance Minister Bresser Pereira's tax reform plan, President Jose Sarney ordered him to increase revenues by improving tax collection rather than by creating new taxes.

The president is convinced the revenue problem lies in tax evasion and exemptions. However, this is not the president's idea. It is not known how an economic study by [name indistinct] from the Getulio Vargas Foundation reached Sarney's hands, but the president read it and liked it. As proof of tax evasion, the study shows that the revenue office collects only 3.5 percent of the national income per year, instead of an estimated 35 to 40 percent.

When everything was ready for the official announcement of the tax measures, Minister Bresser Pereira reported that the president preferred to postpone it. Meanwhile, in Brasilia Bresser's advisers continue to say that if the tax measures are not approved completely the minister will resign his post.

The new tax measure, in part, provides for the taxation of federal short-term bonds—the LBC [Central Bank Certificate] and the LFT [Treasury Financial Bond]—which are currently tax-exempt. Another measure envisages putting the salaries of public employees directly under the control of the finance minister, who will be the only person authorized to grant salary increases above the percentages established by the inter-ministerial council for the control of salaries in state companies.

Acting Finance Minister Named

*PY182146 Brasilia Domestic Service in Portuguese
2100 GMT 18 Dec 87*

[Text] This afternoon Finance Minister Bresser Pereira tendered his resignation to President Jose Sarney.

According to Finance Ministry spokesman Francisco Baker, President Sarney asked all members of Bresser's team at the ministry to remain in their positions. Ministry Secretary General Mailson Ferreira da Nobrega will be acting finance minister.

Bresser Pereira occupied the position of finance minister for only 7 months and 19 days. In his installation speech on 29 April he announced that he intended to reduce public expenditures.

This week Minister Bresser met with President Sarney three times in an attempt to convince the president of the need to adopt new measures in the fiscal field, but he did not succeed in his efforts.

Reluctantly, President Sarney accepted the resignation. Sarney expressed regret at not having been able to reach an agreement with Bresser regarding the proposals the latter made.

Bresser Explains Resignation

*PY190053 Rio de Janeiro Rede Globo Television
in Portuguese 2155 GMT 18 Dec 87*

[Text] Finance Minister Bresser Pereira announced shortly after a meeting with President Sarney that he was leaving the Finance Ministry as a result of lack of agreement over two main points of the fiscal package: the best time for cuts in public expenditures, and the taxation of capital gains.

[Begin Bresser recording] In the reforms I am proposing, the taxation of capital gains—interest, dividends, and profits—will be carried out on the basis of a progressive schedule. Brazil is the only place in the world where taxes are not applied progressively.

The president agreed to apply these measures only through decree-laws. I took the initiative to propose that the sections dealing with taxes on capital gains be submitted to Congress. These gains are obtained through the sale of goods that form part of the personal wealth of individuals. They are new taxes and it was reasonable to send them to Congress.

In the case of capital gains itself, however, this was not so reasonable because most of the burden of the tax increases in 1988 will end up falling on the shoulders of wage earners, those who receive a salary. [end recording]

Bresser also said that the progressive income tax schedule will be adjusted by 250 percent and not by 200 percent as was previously announced.

Ministers on Bresser Departure

*PY191427 Brasilia Radio Nacional da Amazonia
Network in Portuguese 0900 GMT 19 Dec 87*

[Text] Last night President Jose Sarney hosted a year-end informal dinner for his ministers at Granja do Torto farm [presidential retreat near Brasilia]. At the dinner the ministers described Bresser Pereira's departure as a normal event.

Culture Minister Celso Furtado said that a minister who disagrees with presidential guidelines must resign his post.

Agriculture Minister Iris Rezende expressed regret at Bresser Pereira's departure because, as he said, they understood each other very well, since the former finance minister was very sensitive to agricultural problems. Speaking as a politician, however, Iris Rezende said that if one assumes the post of minister of state, one must be prepared to resign, as such a post requires the absolute confidence of the president.

Social Security Minister [title as heard] Luiz Henrique said he believes Bresser Pereira's departure will not affect the situation in the PMDB because Bresser Pereira made a personal decision, and the president will now have to make arrangements with the PMDB to replace him.

Urban Affairs Minister Prisco Vianna said he does not believe Bresser Pereira's resignation will cause political problems because President Sarney exercised his prerogatives by accepting the finance minister's resignation.

Prisco Vianna recalled that Deputy Ulysses Guimaraes, the PMDB president, has already made it very clear that it is up to the president of the Republic to appoint ministers.

After the dinner with the ministers at Granja do Torto farm, President Jose Sarney returned to Alvorada Palace, where he will spend the weekend.

Highlights of New Economic Package Reported
PY210130 Sao Paulo O ESTADO DE SAO PAULO
in Portuguese 20 Dec 87 p 1

[Text] On 19 December President Jose Sarney wrapped up his most recent economic package meant for all Brazilians. He was helped by interim Finance Minister Mailson Nobrega, who believes the package will be released on 21 December. The following are the contents of the small economic package:

A 250-percent adjustment in the progressive income tax table.

A 7-percent reduction of the income taxes withheld by employers.

Increased cuts in the public deficit (from the current cut of 2 percent of the GDP to a cut of 3 percent of the GDP).

A cut of 160 billion cruzados in the 1988 national budget.

A 20-percent decrease in tax incentives.

A reduction of the tax on financial operations.

The creation of a fund that will give guarantees to small investors.

A change in the salary policy of state enterprises.

According to the interim minister, the president has only "a slight doubt" about the measures to be implemented. Decree-laws, the usual instrument for imposing packages, will be used to implement the package. However, draft laws will be sent to Congress proposing:

The creation of a tax on capital gains.

The creation of a tax on profits from capital.

The inclusion of profits from capital in the income tax table.

Chile

State Dept Remarks on Plebiscite Criticized
PY190217 Santiago Domestic Service in Spanish
2200 GMT 18 Dec 87

[Text] Admiral Jose Toribio Merino has said that Chile does not need to be taught how to hold elections and added that Chile could teach the U.S. President a lot about how to hold elections.

The Navy commander in chief made these comments in response to U.S. State Department remarks on the plebiscite to be held soon in Chile. Merino said Chile could teach President Reagan that elections should be held on holidays to make it easier for the citizens to comply with their duty to vote. Merino said that with regard to U.S. elections, voting is held from 0800 to 1800 on working days and that those who are not at work risk losing their jobs.

Merino also said that President Reagan was elected by only 27 percent of the registered voters, and he added: Do you realize what type of democracy we are talking about?

Merino further said that U.S. democracy is not real democracy because it is manipulated by Congress and by the ruling party, which maneuvers to elect its candidates.

Union Group Denounces Plebiscite Pressure
PY181318 Madrid EFE in Spanish 0256 GMT
18 Dec 87

[Text] Santiago, 17 Dec (EFE)—The National Association of Government Employees [ANEF] today denounced the pressure being exerted on civilian state employees to vote yes in the plebiscite to elect the new government for the 1989-97 presidential term.

ANEF President Flores said that selective dismissals, letters requesting support, and the obligation to show copies of registration with the electoral court at work are some of the pressures being exerted on state employees.

Flores indicated that ANEF today began to document all reports on the exertion of pressure on state employees, who number about 220,000, by the military government which wants to remain in power beyond 1989.

Flores indicated that the pressure will increase as the time for the plebiscite draws nearer. He mentioned the case of two employees who were punished because of their political position.

He said that one of them was fired a few hours after he attended a meeting where he called on his fellow workers to vote no in the plebiscite and the other was fired for being an active collaborator with human rights organizations of the Catholic Church.

Today Minister Secretary General of the Government Orlando Poblete said that the Chilean Government is very pleased with the number of people who have registered with the electoral courts for the 1988 plebiscite.

Poblete added that more than 3.35 million people have registered and that it is reasonable to expect that the registration figures will be higher than in previous Chilean elections.

He added that the large number of people registered for the upcoming plebiscite to elect a president will ensure that the election "will be the most genuine expression of the will of the people."

Garcia Comments on Peace Zone Declaration

*PY191310 Santiago Domestic Service in Spanish
0930 GMT 19 Dec 87*

[Text] Foreign Minister Ricardo Garcia has denied a newspaper report stating that during the last South Pacific Permanent Committee meeting in Quito, Chile refused to declare a peace zone in the southern Pacific Ocean.

On that occasion, Garcia said, the foreign ministers of Chile, Colombia, Ecuador, and Peru signed a declaration about such a peace zone.

[Begin Garcia recording] We signed a declaration. You may read it. It contains a paragraph entitled: Peace, Solidarity, and Cooperation. This paragraph states that the Pacific Ocean is a special factor in strengthening peace, cooperation, and solidarity in the region. That was the resolution signed by the four foreign ministers in Quito.

The declaration of Quito clearly expresses the absolute agreement of the four ministers on several subjects, including the one I have just explained. [end recording]

Garcia also reported that the four foreign ministers agreed that more time should be devoted to further discussion of peace.

UN Observer Says Officials Hinder Work

*PY191210 Santiago Domestic Service in Spanish
0930 GMT 19 Dec 87*

[Text] Fernando Volio, UN special observer for human rights in Chile, has visited Concepcion for the third time. He told journalists that low-ranking officials have hindered his work in Chile. This situation is contradictory to the attitude of the government, which has given Volio guarantees that he would be able to carry out his work without any trouble.

Volio arrived in Concepcion and immediately went to the human rights pastoral department of the archbishopric, where he held a meeting with the lawyers of that organization. He was greeted there by the vicar of this pastoral mission, Father Carlos Puentes, representing all the bishops who are holding a plenum in Punta de Tralca.

The pastoral mission lawyers gave Volio a report on the human rights situation during the March-December period of this year and briefed him on some cases.

In the afternoon Volio met with leaders of the Concepcion University Student Federation, Concepcion Human Rights Committee, local university teachers, and representatives of the National Civic Assembly. Volio met with all these groups in separate sessions.

Afterward Volio went to the Concepcion penitentiary, where he met with political prisoners.

Briefs

Foreign Investment Statistics Released

Fernando Alvear, executive secretary of the Foreign Investments Committee, has reported that foreign investments in Chile for this year total \$394 million up to November 1987. [Excerpt] /Santiago Domestic Service in Spanish 0930 GMT 10 Dec 87 PY]

Paraguay

Central Bank President Forecasts Production

PY171549 Asuncion HOY in Spanish 17 Dec 87 p 11

[Excerpts] Central Bank President Cesar Romeo Acosta has said that in 1988 production and exports will increase and create more foreign currency which will help to pay the foreign debt. He made this statement last night in a year-end message during the bank's annual dinner.

He said the country's economic situation has improved in relation to 1986 as shown by the economic figures. He added that "the real GDP has increased by 4.2 percent which represents a healthy recovery of production in relation to the growth rate in 1986."

He noted that agricultural production increased by 9.7 percent in 1987 as compared to the 13 percent production reduction in 1986 caused by the drought. He added that "soybean production increased by 700,000 tons to 1,080,000 tons (54 percent) and wheat production from 233,000 tons to 280,000 tons (20 percent). Sugarcane, rice, corn, and other production also increased."

He pointed out that industrial production increased by 3.5 percent and construction increased by 2 percent, "which are higher than the 1986 rates. The increase in livestock production was 3 percent, which is higher than the 2 percent for 1986."

He said that exports "substantially increased by 51 percent in 1987, reaching \$350.3 million; exports in 1986 reached \$232.5 million. The exported products were: soybeans, which increased 65 percent, reaching \$123 million; wood increased 54 percent, reaching \$27 million; tobacco increased 58 percent, reaching \$7.5 million. Cotton exports decreased 11 percent, but its price increased 36 percent as a result of the higher international prices." [passage omitted]

Romeo Acosta also said that measures were taken to maintain control over the free exchange market "aimed at preventing speculation with the U.S. dollar. Studies are also being made to implement other measures to stabilize the exchange rate."

He added that "the prospects for 1988 show there will be higher production and exports which will create more foreign currency, which will help to pay the foreign debt." [passage omitted]

Briefs

Import Figures for 1987

According to the Customs General Directorate, Paraguay imported goods worth \$610 million during the January-November 1987 period, which represents an increase of 23.7 percent over the same period in 1986. [Summary] *[Asuncion HOY in Spanish 13 Dec 87 p 12 PY]*

Peru

30 Wounded, 200 Arrested in Ministry Riots

PA181719 Paris AFP in Spanish 1638 GMT 18 Dec 87

[Text] Lima, 18 Dec (AFP)—Authorities have reported that violent street riots by Peruvian Health Ministry employees this Thursday left a toll of 30 wounded—including a deputy—and 200 arrested. The Health Ministry employees have been on strike since 10 November. The strikers are demonstrating again today in downtown Lima. The local media has charged that many newsmen were locked inside the Interior Ministry, while, on the streets, the police fired on, used tear gas against, and wrestled with demonstrators.

Marxist Senator Cesar Rojas Huaroto of the United Left—a main opposition group—has charged that despite the fact that he identified himself as a senator, some uniformed policemen threw him on the pavement and beat him. As a result of this, his left ankle was dislocated.

The strike, which has been joined by 70,000 doctors, nurses, and nurses' aides, has paralyzed public health services in 130 hospitals and another 2,500 health centers throughout the nation, the authorities have admitted.

The Health Ministry employees are demanding salary increases and have rejected Health Minister Ilda Uriazar's proposal calling for salary adjustments amounting to a 20-percent salary increase as of 1 January 1988.

Terrorist Acts Continue; 1 Killed, 3 Wounded

PA200135 Paris AFP in Spanish 1753 GMT 19 Dec 87

[Text] Lima, 19 Dec (AFP) — According to Peruvian police reports, terrorist activities continued last night, including a car explosion and several other attacks that left three wounded. In addition, a blackout plunged Lima and a broad coastal section into darkness early this morning.

Official reports also revealed that an engineer was murdered Wednesday by a Shining Path commando unit in the Andean department of Ayacucho.

The blackout took place at 0015 hours (0515 GMT), leaving Lima and neighboring cities to the north and south in the dark. The power company has not yet offered any explanation. The authorities assume it is a consequence of electric towers having been blown up on the line coming from the Mantaro hydroelectric central, which provides Lima with electricity.

Civil Guard sources revealed that a subversive commando unit detonated a car bomb less than 50 meters from the police headquarters building, about 2 hours before the electrical failure, causing a general alarm and considerable movement of police forces.

According to police reports, the explosion injured three passersby and almost killed Lorenzo Villanueva, assistant editor for the local newspaper EL NACIONAL, who happened to be in the neighborhood.

The Civil Guard further explained that the car bomb was being pushed by two subversives and was going to be rolled against the police station, but it collided with the car driven by the journalist, who came out of the explosion unscathed.

The police source added that the bomb had been rigged in a luxury car stolen that morning from Army General Guillermo Arbulu Galliani (retired), who had held the posts of prime minister, defense minister, and Army general commander during the former military regime.

Demolition experts revealed that the car bomb, which was totally destroyed, contained at least 20 kg of dynamite and that is why the explosion caused glass to shatter and other damage to nearby houses.

Authorities also revealed that unknown people took advantage of the blackout to fire at a police car in a factory district near the neighboring port of El Callao; detonations were heard near the central highway in the western sector of Lima that joins the capital with the country's central region, but no casualties have yet been reported.

The attacks took place hours after President Alan Garcia gave "definitive and peremptory" orders to the Peruvian police to act in an "unyielding and firm manner" to put an end to terrorism.

During the closing ceremony at the Police Forces school, Garcia had promised to give police "the political and physical support needed to eradicate terrorism."

Police sources also confirmed that 575 km southeast of Lima, in a remote village in Ayacucho Department, Shining Path terrorists slit the throat of Engineer Daniel Vega Aybar, an agricultural ministry official inspecting irrigation projects.

Briefs

November Inflation Rate

The National Statistics Institute has reported that the inflation rate for November 1987 was 7.1 percent. The overall inflation rate during the first 11 months of this year stands at 95.8 percent. [Summary] *[Lima Andina Television in Spanish 0345 GMT 2 Dec 87 PY]*

Venezuela

Police Capture Colombian ELN Guerrillas
PA210342 Hamburg DPA in Spanish 0243 GMT 21 Dec 87

[Text] Caracas, 20 Dec (DPA)—Twenty Colombian Army of National Liberation (ELN) guerrillas were captured last night by a command created to prevent kidnappings—which is composed of several Venezuelan security organizations—the Caracas newspapers reported today.

Seven of the guerrillas were directly involved in the kidnapping of farmer Gilberto Fuentes Rodriguez 1 week ago in Apure State, in the southwestern Venezuelan plains, it was added.

It was learned that the 20 arrested guerrillas are being held at the 1st Infantry Brigade headquarters in San Cristobal, Tachira State. They will be tried by the city's permanent military court.

Briefs

Japanese Loans

[Text] Finance Minister Hector Hurtado will sign today in Tokyo two loan agreements totaling \$289 million to finance equipment and other items for the Macagua II hydroelectric dam, the third such dam to be built over the Caroni River. The first loan—for \$251.21 million—will be supplied by Japan's Eximbank at an annual interest rate of 4.9 percent. This loan will be payable in 17 consecutive semiannual installments. The second loan, for \$37.68 million, will be granted by the Marubeni consortium at 5.2-percent interest per year and will be repaid in three consecutive semiannual installments. The Venezuelan mission headed by Hurtado will also sign a protocol tomorrow by which Eximbank will finance Bauxiven [Venezuelan Bauxite, Inc.] projects totaling \$108 million. The contract on this last loan will be signed during the first half of January. [Summary] *[Caracas EL UNIVERSAL in Spanish 10 Dec 87 pp 1-2 PA]*

Guyana

President Defends Human Rights Record
FL190405 Bridgetown CANA in English 2258 GMT 18 Dec 87

[Report by Debra Ransome]

[Text] Port of Spain, Trinidad, Dec 18, CANA—President Desmond Hoyte defended Guyana's human rights record on Friday indicating that the country was being singled out.

If you ask me about human right violations, that's a general statement and I would have to, in a general way, say that that is not so, Hoyte told a news conference before leaving here after a 24-hour visit. I am not aware of any human rights violations by my government, the Guyanese president said.

Hoyte complained that if any problems took place with the police in any other country, complaints were targeted at the police force. In Guyana, people blamed the state, he said.

Answering a question about the arrest on November 14 of Barbadian novelist George Lamming and several other people in Georgetown when police allegedly broke up a religious ceremony after the ending of a fast by an opposition politician, Hoyte said:

As far as I am concerned that was an unfortunate turn of events and I would have wished that it didn't happen.

On Thursday night, noisy demonstrators booed Hoyte as he entered the headquarters of the country's largest Hindu organisation to deliver a 50-minute address to the Caribbean Pundits Council on the role of the church and the state.

I would say they have a democratic right to protest and I would be the last person to want to interfere with that right. I suspect some of it might have to do with...internal politics in Trinidad and Tobago, a smiling Hoyte told reporters.

On the recent decision by members of the Guyanese football team to stay in the United States during a sporting visit there, Hoyte admitted it was an embarrassment but that one player had recently returned home.

Stating that was a general belief in many parts of the world that the streets in America were paved with gold, Hoyte said it was a terrible embarrassment which only the men involved could explain.

I suppose one has to take the rough with the smooth, the president said stating this incident would not affect his government's future commitment to sport development.

On a similar front, President Hoyte insisted that those people reportedly leaving Guyana were not refugees but emigrants. He pointed to those returning home which included former World Bank official Winston King, now in charge of petroleum development in Guyana.

Hoyte spoke enthusiastically on the future of the economy relying on both on internal private sector development and the thrust for foreign investment.

Hoyte said he could give no details on reports that Pan Am and British Airways were interested in returning to Guyana except that there had been enquiries.

All of these things indicate a point I was making that there is a growing interest in Guyana...because people perceive that there is business to be done in Guyana.

Hoyte had also been before the media on Thursday night in a different guise passing through a Christmas party hosted by the racy weekly BOMB newspaper.

The paper's publisher, Sat Maharaj, is also Maha Sabha secretary general.

Hoyte's 15-minute appearance at the party—flanked by tight security which checked the party area before Hoyte's arrival from his address—attended by journalists, politicians, and diplomats, was the cause for a flurry of press photographs as he danced and received a Christmas gift from the paper's Santa Claus.

Some critics of the visit accused Maharaj of using Hoyte's visit as a publicity stunt.

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